

**SUNSET FRENCH IMMERSION SCHOOL, INC.**  
**D/B/A ECOLE SAINT-LANDRY SCHOOL**  
Sunset, Louisiana

Financial Report

Year Ended June 30, 2023

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**DARNALL SIKES  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Sunset French Immersion School, Inc.  
d/b/a Ecole Saint-Landry School  
Sunset, Louisiana

### **Opinion**

We have audited the accompanying financial statements of Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School (a nonprofit organization) which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of these 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School'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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School’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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School’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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023, on our consideration of Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School’s internal control over financial reporting and compliance.

***Darnall, Sikes & Frederick***

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 15, 2023

## **FINANCIAL STATEMENTS**

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL

Statement of Financial Position  
June 30, 2023

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 68,381
Prepaid items	29,959
Accounts receivable	<u>389,314</u>
Total current assets	487,654

PROPERTY AND EQUIPMENT, NET 56,367

OPERATING LEASE RIGHT-OF-USE ASSET 600,147

TOTAL ASSETS \$ 1,144,168

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 82,286
Accrued expenses	54,091
Deferred revenue	32,232
Notes payable	3,794
Current portion of operating lease liability	<u>71,766</u>
Total current liabilities	244,169

**LONG-TERM LIABILITIES**

Operating lease liability, net of current portion	<u>582,144</u>
Total liabilities	826,313

**NET ASSETS**

Without donor restrictions	
Available for operations	171,880
With donor restrictions	<u>145,975</u>
Total net assets	<u>317,855</u>

TOTAL LIABILITIES AND NET ASSETS \$ 1,144,168

The accompanying notes are an integral part of this statement.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL

Statement of Activities  
Year Ended June 30, 2023

NET ASSETS WITHOUT DONOR RESTRICTIONS

REVENUES AND SUPPORT

Contributions	\$ 26,378
Fundraising activities	17,097
Other income	<u>25,871</u>
Total revenues and support without donor restrictions	69,346
Net assets released from donor restrictions	<u>1,219,776</u>

TOTAL REVENUES, SUPPORT AND OTHER SUPPORT

WITHOUT DONOR RESTRICTIONS 1,289,122

EXPENSES

Instruction:

Employee benefits	53,804
Equipment rental	7,062
Other purchased services	185,917
Professional and technical services	16,558
Salaries	463,403
Small tools and equipment	16,809
Supplies	77,348

Support Services:

Employee benefits	15,665
Insurance	30,704
Miscellaneous	20,571
Other purchased services	57,460
Professional and technical services	112,898
Salaries	134,966
Supplies	5,053

Non-instructional:

Food services 13,064

Depreciation 8,494

TOTAL EXPENSES 1,219,776

Increase in net assets without donor restrictions 69,346

The accompanying notes are an integral part of this statement.



SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL

Statement of Activities  
Year Ended June 30, 2023

NET ASSETS WITH DONOR RESTRICTIONS	
REVENUES AND SUPPORT	
State and local operating funding	1,030,993
Federal grants	<u>334,758</u>
TOTAL REVENUES AND SUPPORT WITH DONOR RESTRICTIONS	1,365,751
Net assets released from donor restrictions	<u>(1,219,776)</u>
Change in net assets with donor restrictions	<u>145,975</u>
CHANGE IN NET ASSETS	215,321
NET ASSETS AT BEGINNING OF YEAR	86,319
Restatement	<u>16,215</u>
NET ASSETS AT BEGINNING OF YEAR AS RESTATED	<u>102,534</u>
NET ASSETS AT END OF YEAR	<u>\$ 317,855</u>

The accompanying notes are an integral part of this statement.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL

Statement of Cash Flows  
Year Ended June 30, 2023

	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 215,321
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	8,494
Rent expense in excess of cash paid	53,764
(Increase) decrease in-	
Other receivables	(203,943)
Prepaid expenses	(29,959)
Increase (decrease) in -	
Accounts payable	5,795
Accrued expenses	<u>14,227</u>
Net cash provided by operating activities	<u>63,699</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property and equipment	<u>(48,646)</u>
Net cash used by investing activities	(48,646)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Net change in notes payable	3,794
Principal payments on short-term debt	<u>(15,525)</u>
Net cash provided by financing activities	<u>(11,731)</u>
Net increase in cash	3,322
Cash at beginning of year	<u>65,059</u>
Cash at end of year	<u><u>\$ 68,381</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>	
Cash paid during the year for:	
Interest	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this statement.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School (the School) was founded in 2017 as a nonprofit organization incorporated under the laws of the State of Louisiana. The School is a tuition-free, public, French immersion charter school, open to all children living anywhere in Saint Landry Parish. The focus is to prepare students from the Acadiana region to be academically proficient, bilingual, and globally competent. In May of 2019, St. Landry Parish School Board agreed by resolution to approve the School to operate a Type 1 Charter School under the supervision of the St. Landry Parish School System which is governed by the St Landry Parish School Board under Louisiana Revised Statute 17:3971. The school's operations are located in Sunset, Louisiana, and first opened its doors to students in the 2021-2022 school year with only kindergarten and 1<sup>st</sup> grade classes. The School added 2<sup>nd</sup> grade classes in the school year 2022-2023. It plans to continue to expand one grade a year as it grows. The School is governed by a board of directors and managed by a school leader.

Income Tax Exemption

The School 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 School does not qualify as a private School 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 School 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 School 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.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, 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 School had net assets restricted by donors in the amount of \$145,975 at June 30, 2023. 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 is effective beginning January 1, 2019. The adoption of this new guidance did not have a material impact on the School's financial statements.

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.

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 end 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.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Functional Allocation of Expenses

The statement of activities presents expenses of the School'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 School 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.

Receivables

Receivables are stated at the amount management expects to collect. 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, 2023.

Property and Equipment

The School follows the practice of capitalizing all individual fixed assets purchased greater than \$5,000 and fixed assets that in aggregate are greater than \$10,000 at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Fixed assets are accounted for by the following classifications: land, building, equipment, betterment, leasehold improvements, equipment, furniture, and computer hardware and software. Depreciation is computed using the straight-line method at rates based on the following estimated useful lives:

	<u>Years</u>
Computers	3
Office Equipment	5
Vehicles	5
Office Furniture	7
Leasehold Improvements	Life of lease or 5 years, whichever is greater
Building Improvements	20
Building	30

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Compensated Absences

Ten-month employees are entitled to a total of 8 paid days off per year for sickness and 2 paid days off per Ecole Saint-Landry year for personal reasons. From their date of hire, all twelve-month Ecole Saint-Landry based employees are eligible to earn up to 12 days of paid time off during their scheduled work year. These days can be used for vacation or sick purposes. Twelve-month employees will earn 1 day at the end of each month. Twelve-month employees will also be granted a total of ten days off during the summer break in addition to the regularly accrued vacation time.

Each twelve-month employee may carry over 12 days of accrued vacation over into the next fiscal or Ecole Saint-Landry year. These days will not be paid out. Sick time in excess of 8 days not taken by the end of the Ecole Saint-Landry year (for Ecole Saint-Landry based employees) or by June 30 (for administrators) will rollover to the following school year or may be transferred to another school district.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the School considers all highly-liquid investments to be cash equivalents. The School did not have any cash equivalents at June 30, 2023.

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 School 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 School'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.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Standards

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, *Leases*. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01 *Land Easement Practical Expedient for Transition to Topic 842*; ASU 2018-10, *Codification Improvements to Topic 842, Leases*; ASU 2018-11, *Leases (Topic 842): Targeted Improvements*; ASU 2018-20, *Narrow-Scope Improvements for Lessors*; and ASU 2019-01, *Leases (Topic 842): Codification Improvements*; ASU 2020-05, *Leases (Topic 842): Lessors—Certain Leases with Variable Lease Payments*; and ASU 2021-09, *Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities*. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The School elected to adopt these ASUs effective July 1, 2022 and utilized all of the available practical expedients. The adoption had a material impact on the School's statement of financial position and statement of activities. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases. The accounting for finance leases remained substantially unchanged. The adoption of FASB ASC 842 required the School to restate amounts as of July 1, 2022, resulting in an increase in operating lease right-of-use assets of \$661,917 and an increase in operating lease liability of \$661,917.

Subsequent Events

Subsequent events were evaluated through December 15, 2023, which is the date the financial statements were available to be issued.

NOTE 2 CASH

The School 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, 2023, the School had cash and interest-bearing deposits (book balances) totaling \$68,381.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned to it. The School maintains cash balances at one financial institution. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC insured) and the Securities Investor Protection Corporation (SPIC insured) up to \$250,000 at each institution. The School believes it is not exposed to any significant credit risk on its cash balances.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 3 AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS

The following reflects the School's financial assets available for general use within one year as of June 30, 2023:

Financial assets at year end:	
Cash	\$ 68,381
Other receivables	243,339
Prepaid items	<u>29,959</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 341,679</u>

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2023:

Assets being depreciated:	
Equipment	\$ 64,861
Less accumulated depreciation	<u>(8,494)</u>
Assets being depreciated, net	<u>\$ 56,367</u>

Total depreciation expense for the year ended June 30, 2023 was \$8,494.

NOTE 5 NOTES PAYABLE

Notes payable as of June 30, 2023 consisted of a financed insurance policy agreement with IPFS Corporation for \$3,794. The prior year notes payable consisted of a short-term loan with Sunset French Immersion School Foundation in the amount of \$15,525. The loan was a six-month single pay loan with principal and interest due at maturity (December 8, 2022). The notes payable with Sunset French Immersion School Foundation was paid in full by June 30, 2023.

NOTE 6 LEASE COMMITMENT

The School has an operating lease to rent immovable property from Sunset French Immersion School Foundation. The School and Sunset French Immersion School Foundation share three board members. The lease requires rent payments, payable in monthly increments in an amount equal to all monthly principal and interest payments owed by the Foundation, on the premises rented by the School. The lease agreement is expected to continue through September 30, 2030 and is calculated at a weighted average discount rate of 7% which is comparable to the incremental borrowing rate of the School.



SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 6 LEASE COMMITMENT (CONTINUED)

The following summarizes the line items in the statement of financial position which include amounts for the operating lease as of June 30, 2023:

Operating lease right-of-use assets	<u>\$ 600,147</u>
Current portion of operating lease liabilities	\$ 71,766
Non-current portion of operating lease liabilities	<u>582,144</u>
Total operating lease liabilities	<u>\$ 653,910</u>

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2023:

Weighted average remaining lease term	7.25 years
Weighted average discount rate	7.00%

The maturities of lease liabilities as of June 30, 2023 were as follows:

<u>Year ending June 30,</u>	
2024	\$ 115,266
2025	115,266
2026	115,266
2027	115,266
2028	115,266
thereafter	<u>259,350</u>
Total lease payments	\$ 835,680
Less: interest	<u>(181,770)</u>
Present value of lease liability	<u>\$ 653,910</u>

The following summarizes the line item in the statement of activities which include the components of lease expense for the year ended June 30, 2023:

Lease expense included in Regular Programs,	
Other Purchased Services	<u>\$107,851</u>

The following summarizes cash flow information related to the lease for the year ended June 30, 2023:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows for operating leases	<u>\$ 54,087</u>

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Notes to the Financial Statements

NOTE 7 PRIOR PERIOD ADJUSTMENT

In the previously issued financial statements, the School recorded a down payment of \$16,215 for a property and equipment project as an equipment expense instead of reporting it as construction in progress. Correcting this error increased beginning net assets without donor restrictions and increased property and equipment by \$16,215 in the statement of financial position at June 30, 2022.

The correction resulted in the following restatement in the statement of activities as of June 30, 2022:

Balance, June 30, 2022 as previously stated	\$ 86,319
Restatement	<u>16,215</u>
Balance, June 30, 2022 as restated	<u>\$102,534</u>

NOTE 8 SHARED SERVICE AGREEMENT

Ecole Saint-Landry School entered into a shared services agreement with St Landry Parish School Board effective for the 2022-2023 school year. This shared services agreement seeks to ensure that students attending the School have access to an array of academic and extracurricular programs and services including services such as transportation, school food service, special education, pupil appraisal and related services, special education aide, school nurse, and school bus attendant.

NOTE 9 COVID-19 PANDEMIC

As a result of the COVID-19 pandemic, under the Elementary and Secondary School Emergency Relief Fund (ESSER 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 School was awarded \$303,277 under the CARES Act ESSER Formula grant. The award period is from July 1, 2022 to June 30, 2023. As of June 30, 2023, the School had earned \$303,277.

**SUPPLEMENTARY INFORMATION**

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Schedule of the Governing Board (Unaudited)  
Year Ended June 30, 2023

<u>Board Member</u>	<u>Term Expiration</u>
Jerry Domengeaux <i>President</i>	December 31, 2025
Lauren Leonpacher <i>Secretary</i>	December 31, 2027
Skye Duhon <i>Treasurer</i>	December 31, 2025
Toby Aguiard <i>Member</i>	December 31, 2027
Eman Boyd <i>Member</i>	December 31, 2027
Kelley Courville <i>Member</i>	December 31, 2027
Brady McKellar <i>Member</i>	December 31, 2025
John Paul Pickett <i>Member</i>	December 31, 2027

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Schedule of Insurance in Force (Unaudited)  
Year Ended June 30, 2023

Type of Coverage	Limits of Coverage	Expires	Company
Workers' Compensation	\$1,000,000	5/28/2024	Employers Preferred Ins.
Student Accident	Accident medical expense benefit - \$500,000 \$25,000 maximum per student	5/28/2024	United States Fire Insurance Company
Commercial Auto & General Liab (package)	Auto liability - \$1,000,000 General liability - \$1,000,000 each occurrence General aggregate limit - \$3,000,000 Personal & advertising injury - \$1,000,000 any one entity Products/completed operations aggregate limit - \$3,000,000 Professional liability - \$1,000,000 each occurrence Sexual or physical abuse liability \$1,000,000 each occurrence	5/28/2024	Arch Insurance Company
Property	Building - \$4,997,045 Building	8/6/2023	LA Citizens Property Ins.
Commercial Crime	\$1,000,000 - Employee theft \$1,000,000 - Money orders and counterfeit currency	5/28/2024	Hiscox Insurance Agency
Cyber & Privacy Liab.	\$1,000,000	5/28/2024	Tokio Marine HCC
Excess Liability	\$1,000,000	5/28/2024	Arch Insurance Company
Educators Legal & Employment Pract.	\$1,000,000	5/28/2024	Scottsdale Insurance Compan

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
Year Ended June 30, 2023

Agency Head Name: Lindsay Smythe, School Leader

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 86,666
Benefits - other	277
Benefits - health insurance	6,377
Benefits - FICA and Medicare	<u>6,354</u>
Total	<u>\$ 99,674</u>

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



**DARNALL SIKES  
& FREDERICK**

A CORPORATION OF CERTIFIED  
PUBLIC ACCOUNTANTS

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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*

To the Board of Directors of  
Sunset French Immersion School, Inc.  
d/b/a Ecole Saint-Landry School  
Sunset, 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2023.

**Report on Internal Control over Financial Reporting**

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

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



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

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

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 15, 2023

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023

This section is not applicable for the fiscal year ended June 30, 2023 as there were no findings for the year ended June 30, 2022.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023

**Part 1: Summary of Auditor's Results**

**FINANCIAL STATEMENTS**

Auditor's Report – Financial Statements

An unmodified opinion has been issued on Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School's financial statements as of and for the years ended June 30, 2023.

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 did not disclose any instances of noncompliance which is required to be reported under *Government Auditing Standards*.

**FEDERAL AWARDS**

This section is not applicable for the year ended June 30, 2023.

**MANAGEMENT LETTER**

A management letter was not issued for the fiscal year ended June 30, 2023.

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

This section is not applicable for the year ended June 30, 2023.

**Part 3: Findings and Questioned Costs Relating to Federal Programs**

This section is not applicable for the year ended June 30, 2023.

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Management's Corrective Action Plan for Current Year Findings  
Year Ended June 30, 2023

This section is not applicable for the year ended June 30, 2023.



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

To the Board of Directors of  
Sunset French Immersion School, Inc.  
d/b/a Ecole Saint-Landry School  
Sunset, 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School for the fiscal year ended June 30, 2023; 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School is responsible for its performance and statistical data.

The Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements. Additionally, the Louisiana Department of Education and the Louisiana Legislative Auditor have agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all 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 School 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.

Procedures indicated testing a random sample of 25 teachers, principals, and assistant principals. However, the School only employed 9 teachers, principals, and assistant principals as of year-end; therefore, we tested the entire population.

Exceptions Noted: There were three exceptions noted between the education level per Teach Louisiana and the education level reported for PEP for three teachers.

*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).

Procedures indicated testing a random sample of 25 teachers. However, the School only employed 8 teachers as of year-end; therefore, we tested the entire population.

Exceptions Noted: There was a clerical error in the PEP reporting that showed one teacher as being paid \$2,000 more than their actual salary and other compensation.

We were engaged by Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had

we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School and to meet our 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 Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School, as required by Louisiana Revised Statute 24:514.1, 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 15, 2023

SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Schedule 1 – General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
Year Ended June 30, 2023

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 313,700	
Other Instructional Staff Activities	14,764	
Instructional Staff Employee Benefits	49,524	
Purchased Professional and Technical Services	200	
Instructional Materials and Supplies	20,070	
Instructional Equipment	<u>16,809</u>	
Total Teacher and Student Interaction Activities		\$ 415,067

Other Instructional Activities 7,062

Pupil Support Activities (40,304)

Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		(40,304)

Instructional Staff Services 10,570

Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		10,570

School Administration 312,125

Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>312,125</u>

Total General Fund Instructional Expenditures \$ 704,520

Total General Fund Equipment Expenditures \$ 16,809

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 \$ -

Nonpublic Transportation Revenue \$ -

See Independent Accountant's Report on Applying Agreed-upon Procedures



SUNSET FRENCH IMMERSION SCHOOL, INC.  
D/B/A ECOLE SAINT-LANDRY SCHOOL  
Sunset, Louisiana

Schedule 2 – Class Size Characteristics  
As of October 1, 2022

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	75.8%	25	18.2%	6	0.0%	-	6.1%	2
Elementary Activity Classes	83.3%	5	16.7%	1	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	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Combination Activity Classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-

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

To the Board of Directors of  
Sunset French Immersion School, Inc.  
d/b/a Ecole Saint-Landry School  
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, 2022 through June 30, 2023. The Sunset French Immersion School, Inc. d/b/a Ecole Saint-Landry School (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, 2022 through June 30, 2023. 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***

---

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.  
*Written policies and procedures were obtained and do address the functions noted above.*
  - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.  
*Written policies and procedures were obtained and do address the functions noted above.*
  - iii. ***Disbursements***, including processing, reviewing, and approving.  
*Written policies and procedures were obtained and do address the functions noted above.*
  - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties,

reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies and procedures were obtained and do address the functions noted above.

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and do address the functions noted above.

- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and do address the functions noted above.

- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and do address the functions noted above.

- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and do address the functions noted above.

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

Written policies and procedures were obtained and do address the functions noted above.

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

Written policies and procedures were obtained and do address the functions noted above.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and do address the functions noted above.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and do address the functions noted above.

## **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.  
*No exceptions were found as a result of this procedure.*
  - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, 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.*  
*No exceptions were found as a result of this procedure.*
  - 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.  
*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.  
*No exceptions were found as a result of this procedure.*

## **3) Bank Reconciliations**

---

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- Obtained listing of bank accounts from management and management's representation that the listing is complete.*
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);  
*No exceptions were found as a result of this procedure.*
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and  
*No exceptions were found as a result of this procedure.*

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

No exceptions were found as a result of this procedure.

#### **4) Collections (excluding electronic funds transfers)**

---

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained listing of deposit sites and management's representation that the listing is complete.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

Obtained listing of collection locations from management and management's representation that the listing is complete.

- i. Employees responsible for cash collections do not share cash drawers/registers;

No exceptions were found as a result of this procedure.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

No exceptions were found as a result of this procedure.

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.  
No exceptions were found as a result of this procedure.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.  
No exceptions were found as a result of this procedure.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.  
No exceptions were found as a result of this procedure.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).  
No exceptions were found as a result of this procedure.
- v. Trace the actual deposit per the bank statement to the general ledger.  
No exceptions were found as a result of this procedure.

**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).  
Listing of locations that process payments and management's representation that the listing is complete was obtained.
- B. For each location selected under procedure #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, then 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 or making the purchase;  
No exceptions were found as a result of this procedure.
  - ii. At least two employees are involved in processing and approving payments to vendors;  
No exceptions were found as a result of this procedure.
  - 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 were found as a result of this procedure.
  - 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; and  
No exceptions were found as a result of this procedure.
  - 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 were found as a result of this procedure.

- C. For each location selected under procedure #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
- 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 were found as a result of this procedure.*
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.  
*No exceptions were found as a result of this procedure.*
- 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 were found as a result of this procedure.*

#### **6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

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- 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.  
*Listing of active credit cards, bank debit cards, fuel cards, and P-cards, including the card numbers and the names of the persons who maintained possession of the cards, and management's representation that the listing is complete was obtained.*
- 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  
*No exceptions were found as a result of this procedure.*
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.  
*No exceptions were found as a result of this procedure.*
- C. Using the monthly statements or combined statements selected under procedure #7B 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.

*No exceptions were found as a result of this procedure.*

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

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- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

*A listing of travel reimbursements in the current year along with management’s representation that it was complete was obtained.*

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));

*Not applicable.*

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

*No exceptions were found as a result of this procedure.*

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

*No exceptions were found as a result of this procedure.*

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

*No exceptions were found as a result of this procedure.*

## **8) Contracts**

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- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and

*Listing of all contracts in effect and management’s representation that the listing is complete was obtained.*



- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;  
Not applicable.
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);  
No exceptions were found as a result of this procedure.
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and  
No exceptions were found as a result of this procedure.
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.  
No exceptions were found as a result of this procedure.

## **9) Payroll and Personnel**

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- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.  
Listing of employees and management's representation that the listing is complete was obtained. Authorized salaries/pay rates traced to personnel files without exception.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);  
No exceptions were found as a result of this procedure.
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;  
No exceptions were found as a result of this procedure.
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and  
No exceptions were found as a result of this procedure.
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.  
No exceptions were found as a result of this procedure.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or

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

No termination payments paid during the fiscal year ended June 30, 2023. No exceptions were found as a result of this procedure.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions were found as a result of this procedure.

## **10) Ethics**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

No exceptions were found as a result of this procedure.

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

No changes were made to the Entity's ethics policy during the fiscal year.

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

An ethics designee was not appointed for the year ended June 30, 2023.

## **11) Debt Service**

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

Not applicable.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not applicable.

## ***12) Fraud Notice***

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

*No misappropriations of public funds or assets noted.*

- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*No exceptions were found as a result of this procedure.*

## ***13) Information Technology Disaster Recovery/Business Continuity***

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- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

*We performed the procedure and discussed the results with management.*

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

*We performed the procedure and discussed the results with management.*

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

*We performed the procedure and discussed the results with management.*

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

*We performed the procedure and discussed the results with management.*

## ***14) Prevention of Sexual Harassment***

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation

demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

As a non-profit, the Entity is not required to follow the Sexual Harassment procedures unless their charter specifically requires it. The Entity does have its employees complete sexual harassment training. The full-time employees selected did complete sexual harassment training during the year. No exceptions were found as a result of this procedure.

- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

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

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

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

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

We were engaged by the Entity to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Entity 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 15, 2023

Inspired by our past.  
Empowered by our identity.  
Preparing for our future.



Lindsay Smythe, M.S.  
Directrice

December 15, 2023

Darnall, Sikes & Frederick  
A Corporation of Certified Public Accountants  
2000 Kaliste Saloom Road, Suite 300  
Lafayette, LA 70508

Provided below are the responses from unset French Immersion School, Inc. d/b/a Ecole Saint-Landry School with regard to the Statewide Agreed-Upon Procedures performed for the fiscal period July 1, 2022 through June 30, 2023:

Item 10B. The Entity will designate an appropriate person as the ethics designee as required by R.S. 42:1170.

Signature

A handwritten signature in black ink, appearing to be "ASL", written over a horizontal line.

Title

School Leader