

**INSPIRENOLA CHARTER SCHOOLS**  
**AND SUBSIDIARY**  
**NEW ORLEANS, LOUISIANA**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**



**ERICKSEN KRENTEL**<sup>LLP</sup>  
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

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

#### ***Opinion***

We have audited the accompanying consolidated financial statements of InspireNOLA Charter Schools and Subsidiary (a nonprofit corporation), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of InspireNOLA Charter Schools and Subsidiary as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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



To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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, the *Louisiana Governmental Audit Guide*, 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 InspireNOLA Charter Schools and Subsidiary’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 InspireNOLA Charter Schools and Subsidiary’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.



**ERICKSEN KRENTEL** LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information contained in Schedules “1” through “4” is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. The supplementary information contained in the schedule of compensation, benefits, and other payments to agency head (Schedule “5”), as required by Louisiana Revised Statute 24:513 A.(3), is presented for purposes of additional analysis and is also not a required part of the combining financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025 on our consideration of InspireNOLA Charter Schools and Subsidiary’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 InspireNOLA Charter Schools and Subsidiary’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 InspireNOLA Charter Schools and Subsidiary’s internal control over financial reporting and compliance.

December 10, 2025  
New Orleans, Louisiana

*Erickson Krentel, LLP*  
Certified Public Accountants

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<b><u>CURRENT ASSETS:</u></b>		
Cash and cash equivalents	\$ 9,085,862	\$ 10,152,374
Investments	22,494,504	26,806,109
Grant receivables	4,649,309	4,743,443
Other receivables	438,609	252,212
Prepaid expenses	<u>1,446,753</u>	<u>1,592,562</u>
 Total current assets	 <u>38,115,037</u>	 <u>43,546,700</u>
 <b><u>PROPERTY AND EQUIPMENT, NET</u></b>	 <u>3,065,766</u>	 <u>2,417,324</u>
<b><u>OTHER ASSETS:</u></b>		
Right of use assets - operating leases, net	425,923	269,851
Deposits	<u>118,349</u>	<u>117,349</u>
 Total other assets	 <u>544,272</u>	 <u>387,200</u>
 Total assets	 <u>\$ 41,725,075</u>	 <u>\$ 46,351,224</u>
<b><u>CURRENT LIABILITIES:</u></b>		
Accounts payable	\$ 5,209,126	\$ 5,986,608
Accrued expenses	3,566,658	3,987,982
Current portion of operating leases	292,480	169,838
Current portion of long-term debt	-	100,000
Student activity funds	<u>459,560</u>	<u>390,738</u>
 Total current liabilities	 <u>9,527,824</u>	 <u>10,635,166</u>
<b><u>NON-CURRENT LIABILITIES:</u></b>		
Operating leases, net of current portion	<u>120,943</u>	<u>98,727</u>
 Total non-current liabilities	 <u>120,943</u>	 <u>98,727</u>
 Total liabilities	 <u>9,648,767</u>	 <u>10,733,893</u>
<b><u>NET ASSETS:</u></b>		
Without donor restrictions	28,943,050	31,172,542
With donor restrictions	<u>3,133,258</u>	<u>4,444,789</u>
 Total net assets	 <u>32,076,308</u>	 <u>35,617,331</u>
 Total liabilities and net assets	 <u>\$ 41,725,075</u>	 <u>\$ 46,351,224</u>

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<b><u>REVENUE:</u></b>			
Minimum Foundation Program funding	\$ 64,728,113	\$ -	\$ 64,728,113
Federal grants	-	16,104,657	16,104,657
Other state/local funding	5,517,254	1,255,751	6,773,005
Private grants and contributions	60,769	754,895	815,664
Investment income, net	1,221,190	-	1,221,190
Other income	451,423	-	451,423
Net assets released from restrictions	<u>19,426,834</u>	<u>(19,426,834)</u>	<u>-</u>
 Total revenue	 <u>91,405,583</u>	 <u>(1,311,531)</u>	 <u>90,094,052</u>
<b><u>EXPENSES:</u></b>			
Program services:			
General instructional	34,398,327	-	34,398,327
General non-instructional	33,946,501	-	33,946,501
Special education	14,516,741	-	14,516,741
Special programs	4,740,192	-	4,740,192
Administration	<u>6,033,314</u>	<u>-</u>	<u>6,033,314</u>
 Total expenses	 <u>93,635,075</u>	 <u>-</u>	 <u>93,635,075</u>
 Change in net assets	 (2,229,492)	 (1,311,531)	 (3,541,023)
 Net assets, beginning of year	 <u>31,172,542</u>	 <u>4,444,789</u>	 <u>35,617,331</u>
 Net assets, end of year	 <u>\$ 28,943,050</u>	 <u>\$ 3,133,258</u>	 <u>\$ 32,076,308</u>

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<b><u>REVENUE:</u></b>			
Minimum Foundation Program funding	\$ 64,624,819	\$ -	\$ 64,624,819
Federal grants	-	20,003,982	20,003,982
Other state/local funding	1,606,258	1,449,393	3,055,651
Private grants and contributions	215,411	93,838	309,249
Investment income, net	1,327,557	-	1,327,557
Other income	4,888,250	-	4,888,250
Net assets released from restrictions	<u>21,159,116</u>	<u>(21,159,116)</u>	<u>-</u>
 Total revenue	 <u>93,821,411</u>	 <u>388,097</u>	 <u>94,209,508</u>
<b><u>EXPENSES:</u></b>			
Program services:			
General instructional	36,065,392	-	36,065,392
General non-instructional	32,571,784	-	32,571,784
Special education	14,632,406	-	14,632,406
Special programs	4,403,236	-	4,403,236
Administration	<u>5,514,513</u>	<u>-</u>	<u>5,514,513</u>
 Total expenses	 <u>93,187,331</u>	 <u>-</u>	 <u>93,187,331</u>
 Change in net assets	 634,080	 388,097	 1,022,177
 Net assets, beginning of year	 <u>30,538,462</u>	 <u>4,056,692</u>	 <u>34,595,154</u>
 Net assets, end of year	 <u>\$ 31,172,542</u>	 <u>\$ 4,444,789</u>	 <u>\$ 35,617,331</u>

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Program Services				Support Services	
	General	General	Special	Special	Administration	Total
	Instructional	Non-Instructional	Education	Programs		
Salaries	\$ 21,317,850	\$ 8,356,519	\$ 8,936,079	\$ 3,386,712	\$ 2,704,629	\$ 44,701,789
Employee benefits	2,808,845	775,529	1,405,158	488,275	289,566	5,767,373
Retirement	4,429,458	1,872,241	1,852,291	712,669	555,559	9,422,218
Payroll taxes	390,297	136,130	142,860	50,573	40,961	760,821
Purchased educational services	1,199,489	243,839	-	-	4,500	1,447,828
Other purchased professional services	14,318	360,720	195,501	1,850	310,127	882,516
Purchased technical services	-	386,602	-	-	62,590	449,192
Utilities	-	1,558,342	-	-	1,637	1,559,979
Repairs and maintenance	3,962	3,177,143	-	-	2,993	3,184,098
Rentals	15,239	452,822	22,842	-	133,992	624,895
Student transportation	-	7,744,586	1,313,214	-	-	9,057,800
Insurance	-	1,676,726	-	-	89,436	1,766,162
Communications	1,012,684	439,244	115,815	48,046	159,024	1,774,813
Advertising, printing, and binding	16,310	18,861	6,155	-	219,412	260,738
Tuition	975,920	-	-	-	-	975,920
Food service	22,179	4,026,167	10,775	-	243,955	4,303,076
Travel	35,155	45,618	3,050	524	57,812	142,159
Miscellaneous purchased services	79,486	96,701	45,000	-	498,008	719,195
Materials and supplies	900,493	1,209,930	454,066	37,014	393,111	2,994,614
Books and periodicals	407,363	1,302	13,935	14,529	-	437,129
Dues and fees	19,064	1,208,354	-	-	94,102	1,321,520
Miscellaneous	688	7,425	-	-	170,900	179,013
Depreciation	749,527	151,518	-	-	-	901,045
Interest	-	182	-	-	1,000	1,182
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 34,398,327</u>	<u>\$ 33,946,501</u>	<u>\$ 14,516,741</u>	<u>\$ 4,740,192</u>	<u>\$ 6,033,314</u>	<u>\$ 93,635,075</u>

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Program Services				Support Services	
	General Instructional	General Non-Instructional	Special Education	Special Programs	Administration	Total
Salaries	\$ 22,789,441	\$ 7,401,393	\$ 8,828,074	\$ 2,942,675	\$ 2,793,751	\$ 44,755,334
Employee benefits	2,714,487	618,337	1,231,028	366,304	242,835	5,172,991
Retirement	5,285,472	1,853,601	2,084,863	706,011	646,855	10,576,802
Payroll taxes	402,961	131,689	137,894	43,821	44,697	761,062
Purchased educational services	775,162	3,577	-	-	-	778,739
Other purchased professional services	39,312	427,323	274,785	-	218,758	960,178
Purchased technical services	-	287,968	-	-	64,457	352,425
Utilities	-	1,448,163	-	-	2,659	1,450,822
Repairs and maintenance	23,760	3,378,990	-	-	-	3,402,750
Rentals	9,750	539,216	38,564	-	88,096	675,626
Student transportation	-	7,054,647	1,376,147	-	-	8,430,794
Insurance	-	2,047,335	-	-	73,554	2,120,889
Communications	883,937	489,396	59,623	316,892	189,028	1,938,876
Advertising, printing, and binding	18,052	29,422	1,186	-	98,257	146,917
Tuition	692,429	-	78,775	-	-	771,204
Food service	-	3,618,719	-	-	72,005	3,690,724
Travel	201,410	46,145	1,393	3,590	43,040	295,578
Miscellaneous purchased services	55,847	85,711	109,312	-	223,497	474,367
Materials and supplies	796,106	1,397,053	403,696	20,964	436,706	3,054,525
Books and periodicals	706,557	-	-	2,979	-	709,536
Dues and fees	(1,995)	1,313,670	168	-	55,131	1,366,974
Miscellaneous	688	235,087	6,898	-	219,193	461,866
Depreciation	672,016	164,342	-	-	-	836,358
Interest	-	-	-	-	1,994	1,994
	<u>\$ 36,065,392</u>	<u>\$ 32,571,784</u>	<u>\$ 14,632,406</u>	<u>\$ 4,403,236</u>	<u>\$ 5,514,513</u>	<u>\$ 93,187,331</u>

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b><u>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ (3,541,023)	\$ 1,022,177
Adjustments to reconcile change in net assets to cash and cash equivalents from operating activities:		
Depreciation expense	901,045	836,358
(Increase) decrease in:		
Grant receivables	94,134	5,387,376
Other receivables	(186,397)	(59,669)
Prepaid expenses	145,809	(379,684)
Deposits	(1,000)	(734)
Increase (decrease) in:		
Accounts payable	(777,482)	3,425,675
Accrued expenses	(421,324)	(270,837)
Student activity funds	68,822	(85,592)
Lease liability	(11,214)	-
	<u>(3,728,630)</u>	<u>9,875,070</u>
Net cash from (used for) operating activities		
	<u>(3,728,630)</u>	<u>9,875,070</u>
<b><u>CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:</u></b>		
Capital expenditures	(1,549,487)	(218,877)
Purchase of investments	(36,768,638)	(62,877,323)
Sale of investments	41,080,243	52,787,072
	<u>2,762,118</u>	<u>(10,309,128)</u>
Net cash from (used for) investing activities		
	<u>2,762,118</u>	<u>(10,309,128)</u>
<b><u>CASH FLOWS (USED FOR) FINANCING ACTIVITIES:</u></b>		
Payments on long-term debt	(100,000)	(100,000)
	<u>(100,000)</u>	<u>(100,000)</u>
Net cash (used for) financing activities		
	<u>(100,000)</u>	<u>(100,000)</u>
Net (decrease) in cash and cash equivalents	(1,066,512)	(534,058)
Cash and cash equivalents, beginning of year	10,152,374	10,686,432
Cash and cash equivalents, end of year	<u>\$ 9,085,862</u>	<u>\$ 10,152,374</u>

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
JUNE 30, 2025 AND 2024

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Orleans Parish School Board (OPSB) authorized by the Charter School Demonstration Programs Law and approved by the State Board of Elementary and Secondary Education (BESE), granted to InspireNOLA Charter Schools (InspireNOLA), a nonprofit organization organized under the laws of the State of Louisiana and exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, charters to operate the schools below. In addition, the Inspire Support Team (IST) provides support to each of the schools in the areas of development, operations, finance, academics, recruitment and planning. As authorized by the operating agreement between OPSB and InspireNOLA, InspireNOLA operates the following schools through these dates:

<u>School</u>	<u>Type</u>	<u>Term Date</u>
Dwight D. Eisenhower Charter School	Type 1	June 30, 2028
McDonogh 35 Senior High School	Type 1	June 30, 2029
Capdau S.T.E.A.M	Type 1	June 30, 2027
Andrew Wilson Charter School	Type 1	June 30, 2031
Alice M. Harte Elementary School	Type 3	June 30, 2028
Edna Karr Senior High	Type 3	June 30, 2028
Eleanor McMain Secondary School	Type 3	June 30, 2029

**Principles of Consolidation**

These financial statements have been consolidated to include all accounts of InspireNOLA Charter Schools and its subsidiary, Friends of InspireNOLA.

Friends of InspireNOLA is a support organization established to foster the strategic development goals of InspireNOLA Charter Schools. Friends of InspireNOLA was founded in July of 2019 with operations commencing on July 1, 2020. Friends of InspireNOLA is operated, supervised, and controlled by InspireNOLA Charter Schools.

The accompanying consolidated financial statements are presented on a consolidated basis and significant intercompany accounts have been eliminated.

**Basis of Accounting and Financial Reporting Framework**

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Financial Accounting Standards Board (FASB).

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation**

The financial statement presentation follows the recommendations of the FASB in its Accounting Standards Codification (ASC) 958-210-50-3, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-210-50-3, InspireNOLA is required to report information regarding its financial position and activities according to two classes of net assets:

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 InspireNOLA. InspireNOLA's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of InspireNOLA or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

For the purpose of the consolidated statement of cash flows, InspireNOLA considers all demand deposits and highly liquid investments with an initial maturity of less than three months to be cash and cash equivalents.

**Receivables**

Grants and other receivables are stated at the amount management expects to collect from outstanding balances. Management provides for uncollectible amounts through a provision for credit losses and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At June 30, 2025 and 2024, no allowance has been recorded as management considers all receivables to be fully collectible.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

InspireNOLA invests in LAMP, which is administered by LAMP, Inc. a non-profit corporation incorporated in the State of Louisiana. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance Louisiana Revised Statute 33:2955. The investment in LAMP is valued at fair value, which is determined weekly by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. InspireNOLA also separately invests in U.S Treasury securities at another financial institution. Investments in marketable securities and mutual funds with readily determinable fair values and all investments in debt securities are reported at fair value in the consolidated statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statement of activities.

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, emphasizes market-based measurement and, in doing so, stipulates a fair value hierarchy. The hierarchy is based on the type of inputs, or data used, to measure fair value. The fair value hierarchy is summarized below:

Level 1 lies at the top of the hierarchy; inputs are quoted prices in active markets.

Level 2 inputs do not stem directly from quoted prices and include data that is adjusted from similar items traded in markets that are active markets or from identical or similar items in markets that are not active.

Level 3 inputs are unobservable and require the entity to develop its own assumptions.

No Level 3 inputs were used by InspireNOLA during June 30, 2025 and 2024.

**Property and Equipment and Depreciation**

Property and equipment are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated property and equipment are recorded at fair value as of the date received. InspireNOLA maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not. Depreciation is computed using the straight-line method over the following useful lives:

Buildings and improvements	27 years
Office equipment	5 years

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment and Depreciation (Continued)**

Assets acquired with Louisiana Department of Education (LDOE) funds are owned by InspireNOLA while used in the purpose for which it was purchased. The LDOE however, has a reversionary interest in these assets. Should a charter not be renewed, title in any assets purchased with these funds will revert to the appropriate agency.

**Compensated Absences**

All instructional staff members are granted ten annual leave days at the beginning of each year. School Support Center and non-instructional staff are granted a total of 12 annual leave days per year. Prior to July 1, 2019, employees could roll-forward a maximum of 120 hours and could redeem any unused time for additional compensation at the end of employment. On July 1, 2019, InspireNOLA converted to a use or lose it policy. Employees employed prior to June 30, 2019, are allowed to carry-forward their leave liability balance until they redeem it for extra time-off or additional compensation at the end of employment. As of June 30, 2025 InspireNOLA no longer allows for accumulated leave to carry-forward. As of June 30, 2024, the accrued leave liability totaled \$88,995.

**Revenue Recognition**

Contributions are recognized when cash, securities 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. InspireNOLA reports contributions of cash or other assets as restricted support if they are received with donor-imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met, or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the consolidated statement of activities.

Revenues from federal and state grants are recorded when InspireNOLA has a right to reimbursement under the related grant, generally corresponding to the incurring of grant related costs by InspireNOLA, or when otherwise earned under the terms of the grants.

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 provided by individuals 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. In addition, InspireNOLA receives services donated by parents and community members in carrying out InspireNOLA's mission. The value of these services is not recognized in the accompanying consolidated financial statements as they do not meet the criteria for recognition under GAAP.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

InspireNOLA applies judgment in determining whether a contract contains a lease and whether a lease is classified as an operating lease or a finance lease. InspireNOLA defines the lease term as the non-cancellable term of the lease, which may include options to extend or terminate the lease when it is reasonably certain that InspireNOLA will exercise that option. The lease term is used in determining classification between operating lease and finance lease, calculating the lease liability and determining the incremental borrowing rate.

InspireNOLA also applies judgment in allocating the consideration in a contract between lease and non-lease components. It considers whether InspireNOLA can benefit from the right-of-use asset either on its own or together with other resources and whether the asset is highly dependent on or highly interrelated with another right-of-use asset.

InspireNOLA is required to discount lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate. InspireNOLA generally uses the incremental borrowing rate when initially recording real estate leases. Information from the lessor regarding the fair value of underlying assets and initial direct costs incurred by the lessor related to the leased assets is not available.

InspireNOLA determines the incremental borrowing rate of each lease by estimating the credit rating of InspireNOLA at the time the lease is recognized, referencing market yields corresponding to the credit rating and weighted average life of the lease, and factoring in other lease-specific factors such as assumed collateral.

Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense is recognized for these leases on a straight-line basis over the lease term.

**Functional Expenses**

The costs of providing the various programs and other activities of InspireNOLA have been summarized on a functional basis in the consolidated statements of activities. Directly identifiable expenses are charged to programs, support services, and non-instructional services. Expenses related to more than one function are charged to programs, support services, and non-instructional services on the basis of periodic time and expense studies. Salaries and employee benefits have been allocated based on time and effort. All other allocated expenses have been allocated based on actual expenses incurred.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
JUNE 30, 2025 AND 2024

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Tax Status**

InspireNOLA is a Louisiana non-profit organization recognized by the Internal Revenue Service as a Section 501(c)(3) tax-exempt organization. An IRS Form 990, Return of Organization Exempt from Income Tax, must be filed annually. InspireNOLA believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that require adjustment to the financial statements. Penalties and interest, if any, would be included in income tax expense.

InspireNOLA's federal Form 990 for 2021 through 2023 is subject to examination by the IRS, generally for three years after it was filed. As of the date of this report, an extension has been filed for the 2024 Form 990, which is for the fiscal year ended June 30, 2025.

**Date of Management Review**

Subsequent events have been evaluated through December 10, 2025, which is the date the financial statements were available to be issued.

**(2) STATEMENT OF CASH FLOW SUPPLEMENTARY DISCLOSURES**

Supplemental disclosures of cash flow information at June 30<sup>th</sup>:

Cash paid during the year for:	2025	2024
Interest	\$ 6,099	\$ 5,152

**(3) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects InspireNOLA's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available include debt service. However, amounts already appropriated from the restricted deposits and funded reserves for general expenditure within one year of the balance sheet date have not been subtracted as unavailable.

	2025	2024
Financial assets at year-end	\$ 36,668,284	\$ 41,954,138
Less those unavailable for general expenditure within one year due to:		
Debt service	-	(100,000)
Financial assets available to meet cash needs for general expenditures within one year	\$ 36,668,284	\$ 41,854,138

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
JUNE 30, 2025 AND 2024

**(3) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)**

As part of InspireNOLA’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. InspireNOLA’s objective is to maintain liquid financial assets without donor restrictions sufficient to cover 60 days of operating expenses. InspireNOLA regularly monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources of InspireNOLA. In addition, InspireNOLA operates with a budget and monitors sources and uses of funds throughout the year by comparing budget to actual operating expenses.

**(4) GRANT RECEIVABLES**

Grant receivables consist of the following at June 30<sup>th</sup>:

	2025	2024
Due from federal government	\$ 305,858	\$ 369,793
Due from NOLA-PS	248,306	-
Due from State of Louisiana	3,871,778	4,186,012
Due from other	223,367	187,638
	\$ 4,649,309	\$ 4,743,443

**(5) INVESTMENTS**

Investments consist of the following at June 30<sup>th</sup>:

	2025	Fair Value	Level 1	Level 2	Level 3
LAMP	\$ 11,357,795	\$ -	\$ 11,357,795	\$ -	-
U.S. Treasury securities	11,136,709	11,136,709	-	-	-
Total investments	\$ 22,494,504	\$ 11,136,709	\$ 11,357,795	\$ -	-
	2024	Fair Value	Level 1	Level 2	Level 3
LAMP	\$ 16,166,019	\$ -	\$ 16,166,019	\$ -	-
U.S. Treasury securities	10,640,090	10,640,090	-	-	-
Total investments	\$ 26,806,109	\$ 10,640,090	\$ 16,166,019	\$ -	-

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
JUNE 30, 2025 AND 2024

**(5) INVESTMENTS (CONTINUED)**

The following schedule summarizes the investment return and its classification in investment income in the consolidated statements of activities for the years ended June 30<sup>th</sup>:

	2025	2024
Dividends and interest	\$ <u>1,221,190</u>	\$ <u>1,327,557</u>

**(6) PROPERTY AND EQUIPMENT AND DEPRECIATION**

Property and equipment consist of the following at June 30<sup>th</sup>:

	2025	2024
Buildings and improvements	\$ 4,872,338	\$ 3,593,532
Office equipment	<u>933,200</u>	<u>662,516</u>
	5,805,538	4,256,048
Less: accumulated depreciation	<u>(2,739,772)</u>	<u>(1,838,724)</u>
Property and equipment, net	\$ <u>3,065,766</u>	\$ <u>2,417,324</u>

Depreciation expense for the years ended June 30, 2025 and 2024 was \$901,045 and \$836,358, respectively.

**(7) INTERFUND ACTIVITY**

InspireNOLA uses a pooled cash account to track interfund receivables and payables. Due to/from pooled cash balances, which are eliminated on the consolidated statements of financial position at June 30, 2025 are as follows:

<u>Due from Pooled Cash</u>	<u>Amount</u>	<u>Due to Pooled Cash</u>	<u>Amount</u>
Inspire Support Team	\$ 8,607,021	Inspire Support Team	\$ 27,429,528
Alice Harte	6,455,638	Alice Harte	371,017
Edna Karr	5,251,958	Edna Karr	589,513
Andrew Wilson	3,332,150	Andrew Wilson	297,974
Capdau STEAM	760,567	Capdau STEAM	305,933
Eleanor McMain	405,519	Eleanor McMain	360,135
Dwight Eisenhower	2,058,668	Dwight Eisenhower	409,465
McDonogh 35	<u>3,189,674</u>	McDonogh 35	<u>297,630</u>
Total	<u>\$ 30,061,195</u>	Total	<u>\$ 30,061,195</u>

The above due to/from other funds were short-term receivables or payables resulting from the normal course of InspireNOLA's operations.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
JUNE 30, 2025 AND 2024

**(7) INTERFUND ACTIVITY (CONTINUED)**

InspireNOLA’s transfers in (out), which are eliminated on the consolidated statements of activities, consist of interfund activity for the School Support Center allocation and indirect costs transfers.

<u>Transfer In</u>	<u>Amount</u>	<u>Transfer Out</u>	<u>Amount</u>
Inspire Support Team	\$ 6,822,773	Inspire Support Team	\$ 71,551
Alice Harte	224,959	Alice Harte	920,509
Edna Karr	1,457,196	Edna Karr	4,006,616
Andrew Wilson	170,572	Andrew Wilson	667,319
Capdau STEAM	144,990	Capdau STEAM	523,124
Eleanor McMain	397,725	Eleanor McMain	844,097
Dwight Eisenhower	212,942	Dwight Eisenhower	633,862
McDonogh 35	<u>435,717</u>	McDonogh 35	<u>2,199,796</u>
 Total	 <u>\$ 9,866,874</u>	 Total	 <u>\$ 9,866,874</u>

The above interfund transfers result from the normal course of InspireNOLA’s operations and the charter agreement between InspireNOLA and New Orleans Public Schools.

**(8) LONG-TERM DEBT**

InspireNOLA has long-term notes payable as follows at June 30<sup>th</sup>:

	<u>2025</u>	<u>2024</u>
Unsecured loans provided by nonprofit organization for startup operations of InspireNOLA’s schools. The loans all bear interest at 1% and principal and accrued interest are payable in full upon maturity. Loans mature from November 30, 2021 through June 30, 2025.	\$ -	\$ 100,000
Less: current portion of long-term debt	<u>-</u>	<u>(100,000)</u>
Total long-term debt, net	<u>\$ -</u>	<u>\$ -</u>

Interest expense totaled \$1,000 and \$1,994 for the years ended June 30, 2025 and 2024, respectively.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
JUNE 30, 2025 AND 2024

**(9) RESTRICTIONS ON NET ASSETS**

Net assets with donor restrictions consisted of the following at June 30<sup>th</sup>:

	2025	2024
Athletic support	\$ -	\$ 10,000
Charter school support	1,528,912	2,246,007
Community support	161,929	227,791
CTE education	70,853	15,853
Extracurricular education	8,892	4,382
Learning loss support	120,825	163,901
Music education	39	1,257
PK-12 food service	1,059,617	1,606,825
Pre-K instruction	69,723	160,733
Supplemental student learning	104,428	-
Teacher development	8,040	8,040
Net assets with donor restrictions	\$ 3,133,258	\$ 4,444,789

**(10) RETIREMENT PLAN**

The majority of the employees of InspireNOLA participate in the Teachers' Retirement System of Louisiana (TRSL). The TRSL is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

*Plan Description*

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

*Funding Policy*

Plan members are required to contribute 8% of their annual covered salary. InspireNOLA is required to contribute at an actuarially determined rate. The rate is 24.8% of annual eligible contributions for the TRSL and is established by state law, and rates are established by the Public Retirement System's Actuarial Committee. InspireNOLA's contributions to the plan for the years ended June 30, 2025 and 2024 were \$9,422,218 and \$10,576,802, respectively.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

**(11) LEASE COMMITMENTS**

**Operating Leases with OPSB**

InspireNOLA entered into lease agreements with the OPSB whereby each school has its own separate agreement which allows InspireNOLA to use the facilities and contents at each location. Lease terms range from June 30, 2023 through June 30, 2031, corresponding with each school's charter agreement.

All of the aforementioned leases call for payments based on a Use Fee and participation in OPSB's Per Pupil Unit Cost Program. The Use Fee is calculated annually and withheld from MFP funds by OPSB. The calculation is based on each charter school's per pupil share of the actual costs of property, boiler and machinery, terrorism, disaster management and flood insurance of all OPSB-controlled school facilities participating in the Per Pupil Unit Cost Program, and includes any insurance brokerage fee, unrelated to recovery of capital costs or depreciation that would be recovered in a traditional lease relationship.

Use of the properties in the aforementioned leases is not recorded as an in-kind contribution from, or related expense to, the OPSB as the value of the use of the land and building is not readily determinable. The agreements are classified as exchange transactions because both parties receive significant value from the arrangements.

Accordingly, the present value of the benefit to be received in future years has not been recorded.

For all OPSB leases, InspireNOLA is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations, and rules.

**Operating Leases with Third Parties**

In January 2023, InspireNOLA entered into a lease agreement for office space effective January 2023 through December 2025, with minimum monthly rent payments of \$11,894.

In August 2025, InspireNOLA entered into lease agreements for copiers commencing in January 2025 with ending dates of December 2026 with minimum monthly rent payments ranging from \$1,440 to \$2,820.

InspireNOLA entered into several short-term lease commitments during the years ending June 30, 2025 and 2024, these commitments will increase short-term lease costs.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
JUNE 30, 2025 AND 2024

**(11) LEASE COMMITMENTS (CONTINUED)**

Additional information about InspireNOLA's leases is as follows for the years ended June 30<sup>th</sup>:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 250,035	\$ 335,750
Short-term lease cost	<u>374,860</u>	<u>333,302</u>
Total lease cost	<u>\$ 624,895</u>	<u>\$ 669,052</u>
Cash paid for amounts in lease liabilities	\$ 264,770	\$ 356,335
Operating cash flows from operating leases	624,895	669,052
Right-of-use assets obtained in exchange for new operating lease liabilities	468,892	-
Weighted-average remaining lease term-operating leases (in years)	1.03	1.61
Weight average discount rate-operating leases	4.47%	4.08%

The maturities of lease liabilities as of June 30, 2025 are as follows:

2026	\$ 302,946
2027	<u>122,040</u>
Total payments	424,986
Less: imputed interest	<u>(11,563)</u>
	<u>\$ 413,423</u>

**(12) CONCENTRATIONS OF CREDIT RISK**

InspireNOLA maintains cash and investments in accounts in excess of insured limits periodically. InspireNOLA has not experienced any losses and does not believe that significant credit risk exists as a result of this practice. All of InspireNOLA 's cash is maintained in collateralized bank accounts.

**(13) GRANT PROGRAM CONTINGENCIES**

InspireNOLA participates in a number of state and federal grant programs which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that InspireNOLA has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of June 30, 2025 and 2024 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying consolidated financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and InspireNOLA.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2025 AND 2024**

**(14) ECONOMIC DEPENDENCY**

InspireNOLA receives the majority of its revenue from the State of Louisiana. Minimum Foundation Program (MFP) funding for the years ended June 30, 2025 and 2024 totaled \$64,728,113 and \$64,624,819, respectively. Funding was received from various federal grants passed through the State of Louisiana totaling \$16,104,657 and \$20,003,982 for the years ended June 30, 2025 and 2024, respectively. Other state/local funding was received totaling \$6,773,005 and \$3,055,651 for the years ended June 30, 2025 and 2024, respectively. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds InspireNOLA receives could be reduced significantly and have an adverse impact on its operations.

In October 2024, NOLA-PS notified InspireNOLA and all charter school operators it authorizes that local tax revenue estimates provided in March 2024 for the 2024-2025 school year had been overstated. Revised projections indicated a system-wide funding shortfall of up to approximately \$50 million compared to those earlier estimates. To mitigate the impact of this shortfall, during the year ended June 30, 2025 the Orleans Parish School Board approved a non-recurring \$35 million allocation to schools, outside of the annual MFP funding allocation. As a result of these actions, InspireNOLA received additional funding from NOLA-PS during the year ended June 30, 2025, which is included in other state/local funding in the accompanying statement of activities.

**(15) RECLASSIFICATIONS**

Certain reclassifications have been made to the prior year's financial statements to conform to the presentation of the current year financial statements. The reclassifications have no effect on net assets.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2025**  
**WITH SUMMARIZED INFORMATION AT JUNE 30, 2024**

	InspireNOLA Charter Schools	Friends of InspireNOLA	Eliminating Entries	2025 Total	2024 Total
<b><u>CURRENT ASSETS:</u></b>					
Cash and cash equivalents	\$ 8,762,829	\$ 323,033	\$ -	\$ 9,085,862	\$ 10,152,374
Investments	22,494,504	-	-	22,494,504	26,806,109
Grant receivables	4,649,309	-	-	4,649,309	4,743,443
Other receivables	438,609	-	-	438,609	252,212
Prepaid expenses	1,446,753	-	-	1,446,753	1,592,562
Total current assets	<u>37,792,004</u>	<u>323,033</u>	<u>-</u>	<u>38,115,037</u>	<u>43,546,700</u>
<b><u>PROPERTY AND EQUIPMENT, NET</u></b>					
	<u>3,065,766</u>	<u>-</u>	<u>-</u>	<u>3,065,766</u>	<u>2,417,324</u>
<b><u>OTHER ASSETS:</u></b>					
Right of use assets, operating leases - net	425,923	-	-	425,923	269,851
Deposits	118,349	-	-	118,349	117,349
Total other assets	<u>544,272</u>	<u>-</u>	<u>-</u>	<u>544,272</u>	<u>387,200</u>
Total assets	<u>\$ 41,402,042</u>	<u>\$ 323,033</u>	<u>\$ -</u>	<u>\$ 41,725,075</u>	<u>\$ 46,351,224</u>
<b><u>CURRENT LIABILITIES:</u></b>					
Accounts payable	\$ 5,121,126	\$ 88,000	\$ -	\$ 5,209,126	\$ 5,986,608
Accrued expenses	3,566,658	-	-	3,566,658	3,987,982
Current portion of operating leases	292,480	-	-	292,480	169,838
Current portion of long-term debt	-	-	-	-	100,000
Student activity funds	459,560	-	-	459,560	390,738
Total current liabilities	<u>9,439,824</u>	<u>88,000</u>	<u>-</u>	<u>9,527,824</u>	<u>10,635,166</u>
<b><u>NON-CURRENT LIABILITIES:</u></b>					
Operating leases, net of current portion	120,943	-	-	120,943	98,727
Total non-current liabilities	<u>120,943</u>	<u>-</u>	<u>-</u>	<u>120,943</u>	<u>98,727</u>
Total liabilities	<u>9,560,767</u>	<u>88,000</u>	<u>-</u>	<u>9,648,767</u>	<u>10,733,893</u>
<b><u>NET ASSETS:</u></b>					
Without donor restrictions	28,708,017	235,033	-	28,943,050	31,172,542
With donor restrictions	3,133,258	-	-	3,133,258	4,444,789
Total net assets	<u>31,841,275</u>	<u>235,033</u>	<u>-</u>	<u>32,076,308</u>	<u>35,617,331</u>
Total liabilities and net assets	<u>\$ 41,402,042</u>	<u>\$ 323,033</u>	<u>\$ -</u>	<u>\$ 41,725,075</u>	<u>\$ 46,351,224</u>

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2024**

	InspireNOLA Charter Schools			Friends of InspireNOLA			Eliminating Entries	2025 Total	2024 Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total			
<b>REVENUE:</b>									
Minimum Foundation Program funding	\$ 64,728,113	\$ -	\$ 64,728,113	\$ -	\$ -	\$ -	\$ -	\$ 64,728,113	\$ 64,624,819
Federal grants	-	16,104,657	16,104,657	-	-	-	-	16,104,657	20,003,982
Other state/local funding	5,517,254	1,255,751	6,773,005	-	-	-	-	6,773,005	3,055,651
Private grants and contributions	49,769	754,895	804,664	186,000	-	186,000	(175,000)	815,664	309,249
Investment income, net	1,221,190	-	1,221,190	-	-	-	-	1,221,190	1,327,557
Other income	245,423	-	245,423	206,000	-	206,000	-	451,423	4,888,250
Net assets released from restrictions	19,426,834	(19,426,834)	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>91,188,583</b>	<b>(1,311,531)</b>	<b>89,877,052</b>	<b>392,000</b>	<b>-</b>	<b>392,000</b>	<b>(175,000)</b>	<b>90,094,052</b>	<b>94,209,508</b>
<b>EXPENSES:</b>									
Program services:									
General instructional	34,398,327	-	34,398,327	-	-	-	-	34,398,327	36,065,392
General non-instructional	33,946,501	-	33,946,501	-	-	-	-	33,946,501	32,571,784
Special education	14,516,741	-	14,516,741	-	-	-	-	14,516,741	14,632,406
Special programs	4,740,192	-	4,740,192	-	-	-	-	4,740,192	4,403,236
Administration	5,851,537	-	5,851,537	356,777	-	356,777	(175,000)	6,033,314	5,514,513
<b>Total expenses</b>	<b>93,453,298</b>	<b>-</b>	<b>93,453,298</b>	<b>356,777</b>	<b>-</b>	<b>356,777</b>	<b>(175,000)</b>	<b>93,635,075</b>	<b>93,187,331</b>
Change in net assets	(2,264,715)	(1,311,531)	(3,576,246)	35,223	-	35,223	-	(3,541,023)	1,022,177
Net assets, beginning of year	30,972,732	4,444,789	35,417,521	199,810	-	199,810	-	35,617,331	34,595,154
Net assets, end of year	\$ 28,708,017	\$ 3,133,258	\$ 31,841,275	\$ 235,033	\$ -	\$ 235,033	\$ -	\$ 32,076,308	\$ 35,617,331

(See Independent Auditors' Report)

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**COMBINING STATEMENT OF FINANCIAL POSITION BY SCHOOL**  
**JUNE 30, 2025**  
**WITH SUMMARIZED INFORMATION AT JUNE 30, 2024**

	Inspire Support Team (IST)	Alice Harte Charter School	Edna Karr High School	Andrew Wilson Charter School	Capdau STEAM Charter School	Eleanor McMain Secondary School	Dwight Eisenhower Charter School	McDonogh 35 Senior High School	Interfund Eliminations	2025 Total	2024 Total
<b><u>CURRENT ASSETS:</u></b>											
Cash and cash equivalents	\$ 8,303,269	\$ 78,135	\$ 162,757	\$ 31,742	\$ 39,901	\$ 39,986	\$ 74,179	\$ 32,860	\$ -	\$ 8,762,829	\$ 9,952,564
Investments	22,494,504	-	-	-	-	-	-	-	-	22,494,504	26,806,109
Grant receivables	885,626	641,990	705,854	437,720	418,763	426,916	466,161	666,279	-	4,649,309	4,743,443
Other receivables	110,817	16,070	84,349	10,718	26,949	69,079	27,073	93,554	-	438,609	252,212
Due from pooled cash	8,607,021	6,455,638	5,251,958	3,332,150	760,567	405,519	2,058,668	3,189,674	(30,061,195)	-	-
Prepaid expenses	579,909	75,974	246,478	86,785	79,963	159,989	70,742	146,913	-	1,446,753	1,592,562
Total current assets	40,981,146	7,267,807	6,451,396	3,899,115	1,326,143	1,101,489	2,696,823	4,129,280	(30,061,195)	37,792,004	43,346,890
<b><u>PROPERTY AND EQUIPMENT, NET</u></b>											
	21,570	10,029	2,594,976	75,599	38,780	103,328	92,595	128,889	-	3,065,766	2,417,324
<b><u>OTHER ASSETS:</u></b>											
Right of use assets, operating leases - net	95,805	44,365	49,256	44,365	49,256	44,365	49,256	49,255	-	425,923	269,851
Deposits	1,734	12,944	19,651	22,178	37,734	24,108	-	-	-	118,349	117,349
Total other assets	97,539	57,309	68,907	66,543	86,990	68,473	49,256	49,255	-	544,272	387,200
Total assets	\$ 41,100,255	\$ 7,335,145	\$ 9,115,279	\$ 4,041,257	\$ 1,451,913	\$ 1,273,290	\$ 2,838,674	\$ 4,307,424	\$ (30,061,195)	\$ 41,402,042	\$ 46,151,414
<b><u>CURRENT LIABILITIES</u></b>											
Accounts payable	\$ 943,476	\$ 492,312	\$ 559,807	\$ 566,257	\$ 527,688	\$ 733,364	\$ 516,361	\$ 781,861	\$ -	\$ 5,121,126	\$ 5,986,608
Accrued expenses	324,688	368,631	711,536	554,685	301,884	381,488	398,627	525,119	-	3,566,658	3,987,982
Current portion of operating leases	84,909	28,967	29,749	28,565	30,627	28,965	30,374	30,324	-	292,480	169,838
Current portion of long-term debt	-	-	-	-	-	-	-	-	-	-	100,000
Due to pooled cash	27,429,528	371,017	589,513	297,974	305,933	360,135	409,465	297,630	(30,061,195)	-	-
Student activity funds	-	78,135	162,757	31,742	39,901	39,986	74,179	32,860	-	459,560	390,738
Total current liabilities	28,782,601	1,339,062	2,053,362	1,479,223	1,206,033	1,543,938	1,429,006	1,667,794	(30,061,195)	9,439,824	10,635,166
<b><u>NON-CURRENT LIABILITIES</u></b>											
Operating leases, net of current portion	8,562	15,103	16,768	15,103	16,768	15,103	16,768	16,768	-	120,943	98,727
Total non-current liabilities	8,562	15,103	16,768	15,103	16,768	15,103	16,768	16,768	-	120,943	98,727
Total liabilities	28,791,163	1,354,165	2,070,130	1,494,326	1,222,801	1,559,041	1,445,774	1,684,562	(30,061,195)	9,560,767	10,733,893
<b><u>NET ASSETS</u></b>											
Without donor restrictions	10,631,940	5,820,911	6,699,841	2,318,937	158,947	(558,176)	1,273,547	2,362,070	-	28,708,017	30,972,732
With donor restrictions	1,677,152	160,069	345,308	227,994	70,165	272,425	119,353	260,792	-	3,133,258	4,444,789
Total net assets	12,309,092	5,980,980	7,045,149	2,546,931	229,112	(285,751)	1,392,900	2,622,862	-	31,841,275	35,417,521
Total liabilities and net assets	\$ 41,100,255	\$ 7,335,145	\$ 9,115,279	\$ 4,041,257	\$ 1,451,913	\$ 1,273,290	\$ 2,838,674	\$ 4,307,424	\$ (30,061,195)	\$ 41,402,042	\$ 46,151,414

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**COMBINING STATEMENT OF ACTIVITIES BY SCHOOL**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2024**

	Inspire Support Team (IST)	Alice Harte Charter School	Edna Karr High School	Andrew Wilson Charter School	Capdau STEAM Charter School	Eleanor McMain Secondary School	Dwight Eisenhower Charter School	McDonogh 35 Senior High School	Interfund Eliminations	2025 Total	2024 Total
<b><u>NET ASSETS WITHOUT DONOR RESTRICTIONS:</u></b>											
<b><u>REVENUE:</u></b>											
Minimum Foundation Program funding	\$ -	\$ 8,984,366	\$ 14,060,991	\$ 7,279,912	\$ 6,567,126	\$ 8,711,789	\$ 7,473,755	\$ 11,650,174	\$ -	\$ 64,728,113	\$ 64,624,819
Federal grants	-	-	-	-	-	-	-	-	-	-	-
Other state/local funding	-	824,723	1,139,645	626,578	585,078	764,355	627,980	948,895	-	5,517,254	1,419,452
Private grants and contributions	49,252	-	-	-	-	-	-	517	-	49,769	19,709
Investment income, net	1,221,063	-	-	-	127	-	-	-	-	1,221,190	1,327,557
Other income	129,027	29,361	16,033	904	207	160	6,839	62,892	-	245,423	5,011,088
Net assets released from restrictions	2,525,823	2,652,551	2,897,152	2,428,270	2,212,068	1,990,087	2,384,647	2,336,236	-	19,426,834	21,159,116
<b>Total revenue</b>	<b>3,925,165</b>	<b>12,491,001</b>	<b>18,113,821</b>	<b>10,335,664</b>	<b>9,364,606</b>	<b>11,466,391</b>	<b>10,493,221</b>	<b>14,998,714</b>	<b>-</b>	<b>91,188,583</b>	<b>93,561,741</b>
<b><u>EXPENSES:</u></b>											
Program services:											
General instructional	3,309,415	3,891,325	7,644,010	3,034,249	2,941,167	4,768,226	3,232,072	5,577,863	-	34,398,327	36,065,392
General non-instructional	1,826,874	4,491,670	5,603,851	3,716,462	3,767,819	5,037,617	3,878,959	5,623,249	-	33,946,501	32,571,784
Special education	1,909,399	1,840,223	2,283,236	1,638,824	1,450,765	1,495,001	1,668,088	2,231,205	-	14,516,741	14,632,406
Special programs	122,649	810,795	337,832	1,206,186	810,304	310,093	1,026,702	115,631	-	4,740,192	4,403,236
Administration	5,851,537	-	-	-	-	-	-	-	-	5,851,537	5,267,540
<b>Total expenses</b>	<b>13,019,874</b>	<b>11,034,013</b>	<b>15,868,929</b>	<b>9,595,721</b>	<b>8,970,055</b>	<b>11,610,937</b>	<b>9,805,821</b>	<b>13,547,948</b>	<b>-</b>	<b>93,453,298</b>	<b>92,940,358</b>
<b><u>TRANSFERS IN/OUT:</u></b>											
Transfers in	6,822,773	224,959	1,457,196	170,572	144,990	397,725	212,942	435,717	(9,866,874)	-	-
Transfers out	(71,551)	(920,509)	(4,006,616)	(667,319)	(523,124)	(844,097)	(633,862)	(2,199,796)	9,866,874	-	-
<b>Total transfers in/out</b>	<b>6,751,222</b>	<b>(695,550)</b>	<b>(2,549,420)</b>	<b>(496,747)</b>	<b>(378,134)</b>	<b>(446,372)</b>	<b>(420,920)</b>	<b>(1,764,079)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net assets without donor restrictions</b>	<b>(2,343,487)</b>	<b>761,438</b>	<b>(304,528)</b>	<b>243,196</b>	<b>16,417</b>	<b>(590,918)</b>	<b>266,480</b>	<b>(313,313)</b>	<b>-</b>	<b>(2,264,715)</b>	<b>621,383</b>
<b><u>NET ASSETS WITH DONOR RESTRICTIONS:</u></b>											
Federal grants	1,425,677	2,203,426	2,771,798	1,876,233	1,824,634	1,914,026	1,816,947	2,271,916	-	16,104,657	20,003,982
Other state/local funding	-	256,604	33,163	297,713	322,781	21,663	298,154	25,673	-	1,255,751	1,273,235
Private grants and contributions	303,500	-	21,846	171,828	4,925	65,866	145,838	41,092	-	754,895	93,838
Other income	-	-	-	-	-	-	-	-	-	-	176,158
Net assets released from restrictions	(2,525,823)	(2,652,551)	(2,897,152)	(2,428,270)	(2,212,068)	(1,990,087)	(2,384,647)	(2,336,236)	-	(19,426,834)	(21,159,116)
<b>Change in net assets with donor restrictions</b>	<b>(796,646)</b>	<b>(192,521)</b>	<b>(70,345)</b>	<b>(82,496)</b>	<b>(59,728)</b>	<b>11,468</b>	<b>(123,708)</b>	<b>2,445</b>	<b>-</b>	<b>(1,311,531)</b>	<b>388,097</b>
<b>Net assets, beginning of year</b>	<b>15,449,225</b>	<b>5,412,063</b>	<b>7,420,022</b>	<b>2,386,231</b>	<b>272,423</b>	<b>293,699</b>	<b>1,250,128</b>	<b>2,933,730</b>	<b>-</b>	<b>35,417,521</b>	<b>34,408,041</b>
<b>Net assets, end of year</b>	<b>\$ 12,309,092</b>	<b>\$ 5,980,980</b>	<b>\$ 7,045,149</b>	<b>\$ 2,546,931</b>	<b>\$ 229,112</b>	<b>\$ (285,751)</b>	<b>\$ 1,392,900</b>	<b>\$ 2,622,862</b>	<b>\$ -</b>	<b>\$ 31,841,275</b>	<b>\$ 35,417,521</b>

(See Independent Auditors' Report)

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Jamar McKneely, CEO</u>
Time served	07/01/24 through 06/30/25
Salary	\$ 283,500
Other compensation	80,280
Benefits - employer portion of TRSL	73,611
Benefits - employer portion of medical	9,174
Benefits - employer portion of life	3,836
Medicare	4,627
Car allowance	3,600
Communications	<u>2,168</u>
Total compensation, benefits, and other payments	<u>\$ 460,796</u>



**INDEPENDENT AUDITORS' 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  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, 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 consolidated financial statements of InspireNOLA Charter Schools and Subsidiary (a non-profit corporation), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 10, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered InspireNOLA Charter Schools and Subsidiary'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of InspireNOLA Charter Schools and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of the InspireNOLA Charter Schools and Subsidiary'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.



**ERICKSEN KRENTEL** LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

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

As part of obtaining reasonable assurance about whether InspireNOLA Charter Schools and Subsidiary's consolidated 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 InspireNOLA Charter Schools and Subsidiary'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 InspireNOLA Charter Schools and Subsidiary'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 Legislative Auditor as a public document.

December 10, 2025  
New Orleans, Louisiana

*Erickson Krentel, LLP*  
Certified Public Accountants



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

To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited InspireNOLA Charter Schools and Subsidiary's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of InspireNOLA Charter Schools and Subsidiary's major federal programs for the year ended June 30, 2025. InspireNOLA Charter Schools and Subsidiary's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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



To the Board of Directors  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

***Auditor’s Responsibilities for the Audit of Compliance***

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

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

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

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



To the Board of Directors  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

### **Report on Internal Control over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

December 10, 2025  
New Orleans, Louisiana

*Erickson Krentel, LLP*  
Certified Public Accountants

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-through Grantor/ Program Title	Federal AL Number	Federal Disbursements/ Expenditures
<b><u>U.S. Department of Education</u></b>		
<i>Pass-through from Louisiana Department of Education</i>		
Title I Grants to Local Educational Agencies	84.010	\$ 4,570,978
Special Education Cluster (IDEA):		
Special Education - Grants to States	84.027	\$ 1,787,990
Special Education - Preschool Grants	84.173	<u>16,278</u>
Total Special Education Cluster		1,804,268
Twenty-First Century Community Learning Centers	84.287	1,356,349
English Language Acquisition State Grants	84.365	57,235
Comprehensive Literacy Development	84.371	582,317
School Improvement Fund	84.377	208,627
Disability Innovation Fund	84.421	73,545
COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	2,723,847
<i>Pass-through from New Orleans Business Alliance</i>		
Career and Technical Education - Basic Grants to States	84.048	82,500
<i>Pass-through from Administrators of the Tulane Educational Fund</i>		
Supporting Effective Educator Development Program	84.423	<u>147,821</u>
 Total U.S. Department of Education		 <u>11,607,487</u>
<b><u>U.S. Department of Agriculture</u></b>		
<i>Pass-through from Louisiana Department of Education</i>		
Child Nutrition Cluster		
National School Lunch Program	10.555	<u>4,922,569</u>
Total Child Nutrition Cluster		4,922,569
Child and Adult Care Food Program	10.558	221,399
Fresh Fruit and Vegetable Program	10.582	<u>100,282</u>
 Total U.S. Department of Agriculture		 <u>5,244,250</u>
 Total expenditures of federal awards		 <u>\$ 16,851,737</u>

(See Independent Auditors' Report)

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**(1) BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of InspireNOLA Charter Schools and Subsidiary under programs of the federal government for the year ended June 30, 2025. The information in the schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of InspireNOLA Charter Schools and Subsidiary, it is not intended to and does not present the financial position, changes in net assets, or cash flows of InspireNOLA Charter Schools and Subsidiary.

**(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Expense Recognition**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Payments to Subrecipients**

There were no payments to subrecipients for the fiscal year ended June 30, 2025.

**Non-Cash Assistance**

Nonmonetary assistance in the amount of \$148,920 is reported in the schedule of expenditures of federal awards as AL No. 10.555 at the fair market value of the commodities received and disbursed.

**(3) INDIRECT COST RATE**

InspireNOLA Charter Schools and Subsidiary has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**I. SUMMARY OF AUDITORS' REPORTS**

1. The auditors' report expresses an unmodified opinion on the consolidated financial statements of InspireNOLA Charter Schools and Subsidiary.
2. No significant deficiencies or material weaknesses in internal control relating to the audit of the consolidated financial statements are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements were reported in the 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*.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs for InspireNOLA Charter Schools and Subsidiary expresses an unmodified opinion on all major federal programs.
6. There were no audit findings required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as major program was Title I Grants to Local Educational Agencies (AL No. 84.010)
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. InspireNOLA Charter Schools and Subsidiary was determined to be a low-risk auditee.
10. A management letter was not issued for the year ended June 30, 2025.

**II. FINDINGS – FINANCIAL STATEMENT AUDIT**

There were no findings related to the consolidated financial statements for the year ended June 30, 2025.

**III. FINDINGS AND QUESTIONED COST – MAJOR FEDERAL AWARD PROGRAM AUDIT**

There were no findings related to major federal awards programs for the year ended June 30, 2025.

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**I. INTERNAL CONTROL AND COMPLIANCE MATERIAL  
TO THE FINANCIAL STATEMENTS**

There were no findings related to the financial statements for the year ended June 30, 2024.

**II. INTERNAL CONTROL AND COMPLIANCE MATERIAL  
TO THE FEDERAL AWARDS**

There were no findings related to federal awards for the year ended June 30, 2024.

**III. MANAGEMENT LETTER**

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



**INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of InspireNOLA Charter Schools and Subsidiary for the fiscal year ended June 30, 2025 and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of InspireNOLA Charter Schools and Subsidiary is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
  - a. Total General Fund Instructional Expenditures,
  - b. Total General Fund Equipment Expenditures,
  - c. Total Local Taxation Revenue,
  - d. Total Local Earnings on Investment in Real Property,
  - e. Total State Revenue in Lieu of Taxes,
  - f. Nonpublic Textbook Revenue,
  - g. Nonpublic Transportation Revenue.

Exceptions: No exceptions were found as a result of applying the procedure.



To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

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: No exceptions were found as a result of applying the procedure.

Education Levels/Experience of Public School 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 education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Exceptions: No exceptions were found as a result of applying the procedure.

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

Exceptions: No exceptions were found as a result of applying the procedure.

We were engaged by InspireNOLA Charter Schools and Subsidiary 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 InspireNOLA Charter Schools and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.



**ERICKSEN KRENTEL** LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Directors of  
InspireNOLA Charter Schools and Subsidiary  
New Orleans, Louisiana

This report is intended solely to describe the scope and results of testing performed on the performance and statistical data accompanying the annual financial statements of the InspireNOLA Charter Schools and Subsidiary, as required by Louisiana Revised Statute 24:514.I, and for the information and use of InspireNOLA Charter Schools and Subsidiary, the Louisiana Department of Education, and the Louisiana Legislative Auditor. Accordingly, this report is not suitable for any other purpose and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

December 10, 2025  
New Orleans, Louisiana

*Ericksen Krentel, LLP*  
Certified Public Accountants

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND**  
**CERTAIN LOCAL REVENUE SOURCES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**GENERAL FUND INSTRUCTIONAL AND EQUIPMENT EXPENDITURES**

	Column A	Column B
General Fund instructional expenditures:		
Teacher and student interaction activities:		
Classroom teacher salaries	\$ 18,438,996	
Other instructional staff salaries	2,797,348	
Instructional staff employee benefits	7,963,391	
Purchased professional and technical services	405,342	
Instructional materials and supplies	980,836	
Instructional equipment	749,527	
Total teacher and students interaction activities		\$ 31,335,440
Other instructional activities		1,520,380
Pupil support services	6,284,124	
Less: equipment for pupil support services	-	
Net pupil support services		6,284,124
Instructional staff services	3,253,769	
Less: equipment for instructional staff services	-	
Net instructional staff services		3,253,769
School administration	9,718,881	
Less: equipment for school administration	-	
Net school administration		9,718,881
Total General Fund instructional expenditures (total of column B)		\$ 52,112,594
Total General Fund equipment expenditures		\$ 749,527
 <b><u>CERTAIN LOCAL REVENUE SOURCES</u></b>		
Total local taxation revenue		\$ -
Total local earnings on investment in real property		\$ -
Total state revenue in lieu of taxes		\$ -
Nonpublic textbook revenue		\$ -
Nonpublic transportation revenue		\$ -

(See Independent Accountants' Report on Applying Agreed-Upon Procedures)

**INSPIRENOLA CHARTER SCHOOLS AND SUBSIDIARY**  
**CLASS SIZE CHARACTERISTICS**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**AS OF OCTOBER 1, 2024**

	<b>CLASS SIZE RANGE</b>							
	1-20		21-26		27-33		34+	
<b>SCHOOL TYPE:</b>	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	10.19%	186	9.81%	179	4.44%	81	5.64%	103
Elementary/Activity Classes	1.37%	25	2.25%	41	1.37%	25	0.71%	13
Middle/Jr. High	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-
High	25.10%	458	10.08%	184	13.59%	248	9.10%	166
High Activity Classes	3.18%	58	0.77%	14	0.93%	17	1.48%	27
Combination	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-

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