

**COMMUNITY ACADEMIES
OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA**

Audit of Financial Statements

June 30, 2025

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Independent Auditor's Report

To the Board of Directors
Community Academies of New Orleans, Inc.
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Community Academies of New Orleans, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2025, the related statements of activities and changes in net assets, functional expenses, 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 the Organization as of June 30, 2025, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing the audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of board of directors, and the schedule of compensation, benefits, and other payments to agency head, as required by Louisiana Revised Statute (R.S.) 24:513 A(3), are presented for purposes of additional analysis and are not a required part of the 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 not a required part of the financial statements. The accompanying combining statement of financial position by school and combining statement of activities and changes in net assets by school are presented for purposes of additional analysis and are not a required part of the 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 financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the 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 13, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Covington, LA
December 13, 2025

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Statement of Financial Position
June 30, 2025

Assets

Current Assets

Cash	\$ 3,209,389
Certificates of Deposit, Short-Term	1,342,000
Grants Receivable	1,074,870
Prepaid Expenses	2,122
Other Receivables	4,480

Total Current Assets	<u>5,632,861</u>
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Property and Equipment

Furniture, Fixtures, and Equipment	78,386
Office Equipment	85,260
Less: Accumulated Depreciation	<u>(41,476)</u>

Net Property and Equipment	<u>122,170</u>
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Other Assets

Certificates of Deposit, Long-Term	<u>750,968</u>
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Total Other Assets	<u>750,968</u>
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Total Assets	<u><u>\$ 6,505,999</u></u>
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Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 155,985
Accrued Expenses	<u>371,227</u>

Total Current Liabilities	<u>527,212</u>
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Net Assets

Without Donor Restrictions	5,739,245
With Donor Restrictions	<u>239,542</u>

Total Net Assets	<u>5,978,787</u>
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Total Liabilities and Net Assets	<u><u>\$ 6,505,999</u></u>
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The accompanying notes are an integral part of these financial statements.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
State and Local Public School Funding			
Minimum Foundation Program	\$ 11,249,012	\$ -	\$ 11,249,012
Federal Grants	1,533,791	-	1,533,791
Federal School Lunch Program	1,040,093	-	1,040,093
State Grants	567,896	-	567,896
Private Grants and Contributions	16,957	300,000	316,957
Interest Income	150,468	-	150,468
Other Program Income	64,510	-	64,510
Miscellaneous Income, Net	10,934	-	10,934
(Loss) on Investments	(1,776)	-	(1,776)
Net Assets Released from Restrictions	60,458	(60,458)	-
Total Support and Revenue	14,692,343	239,542	14,931,885
Expenses			
Program Services - Student Instruction and Activities			
Regular Education	7,097,721	-	7,097,721
Special Education	911,142	-	911,142
Pupil and Staff Support	587,530	-	587,530
Transportation	2,619,336	-	2,619,336
Supporting Services			
Management and General	8,576,451	-	8,576,451
CMO Fee Eliminations	(3,404,740)	-	(3,404,740)
Total Expenses	16,387,440	-	16,387,440
Change in Net Assets	(1,695,097)	239,542	(1,455,555)
Net Assets, Beginning of Year	7,434,342	-	7,434,342
Net Assets, End of Year	\$ 5,739,245	\$ 239,542	\$ 5,978,787

The accompanying notes are an integral part of these financial statements.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services - Student Instruction and Activities				Support Services		Total
	Regular Education	Special Education	Pupil and Staff Support	Student Transportation	Management and General	CMO Fee Eliminations	
Expenses							
Salaries	\$ 4,934,118	\$ 765,980	\$ 94,338	\$ 681,200	\$ 2,544,395	\$ -	\$ 9,020,031
Employee Benefits	780,388	95,588	57,084	88,437	495,161	-	1,516,658
Purchased Services	408,180	43,261	408,297	1,052,853	3,004,067	(3,404,740)	1,511,918
Food Service	-	-	-	-	756,541	-	756,541
Repairs and Maintenance	-	-	-	1,023	457,757	-	458,780
Materials and Supplies	308,499	3,292	27,811	7,317	104,005	-	450,924
Renting and Leasing	-	-	-	390,000	29,957	-	419,957
Insurance	-	-	-	-	391,285	-	391,285
Utilities and Fuel	-	-	-	84,968	250,275	-	335,243
Equipment and Capital	333,443	-	-	-	-	-	333,443
Purchased Transportation Services	-	-	-	309,039	-	-	309,039
Dues and Fees	11,401	-	-	5,235	267,802	-	284,438
Communications and Online Subscriptions	178,660	3,021	-	(736)	92,319	-	273,264
Accounting and Audit Services	-	-	-	-	154,509	-	154,509
Professional Development	119,772	-	-	-	-	-	119,772
Travel	18,249	-	-	-	10,260	-	28,509
Advertising and Marketing	-	-	-	-	18,118	-	18,118
Student Activities	5,011	-	-	-	-	-	5,011
Total Expenses	\$ 7,097,721	\$ 911,142	\$ 587,530	\$ 2,619,336	\$ 8,576,451	\$ (3,404,740)	\$ 16,387,440

The accompanying notes are an integral part of these financial statements.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash Flows from Operating Activities

Change in Net Assets	\$ (1,455,555)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Used in Operating Activities	
Depreciation and Amortization	333,443
Amortization of Right-of-Use Asset	455,855
(Increase) Decrease in:	
Grants Receivable	669,230
Prepaid Expenses	80,856
Other Receivables	(3,816)
Increase (Decrease) in:	
Accounts Payable	(463,838)
Accrued Expenses	197,517
Operating Lease Liabilities	(455,855)

Net Cash Used in Operating Activities	<u>(642,163)</u>
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Cash Flows from Investing Activities

Purchase of Property and Equipment	(306,717)
Sale of Certificates of Deposit, Net of Repurchases and Reinvestments	924,336

Net Cash Provided by Investing Activities	<u>617,619</u>
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Net Decrease in Cash	(24,544)
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Cash, Beginning of Year	<u>3,233,933</u>
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Cash, End of Year	<u><u>\$ 3,209,389</u></u>
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The accompanying notes are an integral part of these financial statements.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Organization

Community Academies of New Orleans, Inc. (the Organization) was incorporated on August 14, 2019, to bring together Esperanza Charter School, Lafayette Academy Charter School, and Foundation Preparatory Charter School with the ultimate goal of strengthening all three schools, while also maintaining their unique cultures and communities. These schools share a commitment to serving all students in our diverse New Orleans community, a foundational principle upon which the Organization was founded.

In May 2020, the Orleans Parish School Board (OPSB, a.k.a NOLA Public Schools, a.k.a NOLA-PS) approved a five-year charter agreement for the Organization to operate Lafayette Academy Charter School, which was scheduled to expire on June 30, 2025. During December 2023, the OPSB voted to neither renew nor extend the charter agreement for Lafayette Academy Charter School. The Organization effectively ceased operating Lafayette Academy Charter School as of June 30, 2024.

In May 2020, the OPSB approved five-year charter agreements for the Organization to operate Esperanza Charter School and Foundation Preparatory Charter School, which expired on June 30, 2025. Amended charter agreements and extension terms have been finalized and are set to expire on June 30, 2031 and June 30, 2033, respectively.

The Organization provides student instruction and activities as part of regular education, special education, special programs, and pupil support services programs.

A summary of the Organization's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Basis of Net Asset Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions - Net assets for general use that are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions - Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Once expended for their restricted purpose, these restricted net assets are released to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restriction.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the Organization are prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

The activities of the Organization and its charter schools are accounted for separately. The statement of financial position and statement of activities and changes in net assets include the accounts of the Organization and the three (3) aforementioned charter schools. All significant inter-school transactions and balances have been eliminated.

Functional Expenses

The costs of providing the program services and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied. When possible, expenses are first allocated by direct identification and then allocation if an expenditure benefits more than one program or function. The expenses that are allocated are allocated on the basis of estimates of time and effort or student count. Expenses allocated based on student count during the year ended June 30, 2025 include purchased services and food service. Expenses that were allocated based on time and effort during the year ended June 30, 2025 include salaries, employee benefits, and payroll taxes.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

During the year, cash may consist of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts credited to the Organization's bank accounts from donations received from individuals or entities who specified the use of the contribution. At June 30, 2025, there were no restricted cash balances.

For purposes of the statement of cash flows, the Organization considers all investments and certificates of deposit purchased with an original maturity of three months or less to be cash equivalents. At June 30, 2025, the Organization had no cash equivalents.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Certificates of Deposit

The Organization classifies its certificates of deposit in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 320, *Investments Debt and Equity Securities*. Based upon the Organization's positive intent and ability to hold its certificates of deposit to maturity, certificates of deposit have been classified as held-to-maturity investments and are carried at amortized cost, which approximates market value.

Grants Receivable

The Organization received various state and federal grants to fund programs and operations. The grants are on a reimbursement basis and grants receivable at year-end are stated at unpaid balances for expenditures incurred during the year. As of June 30, 2025, based on management's experience with the collection of grants from the State of Louisiana, the grants receivable are considered to be fully collectible.

Accounts Receivable

Effective July 1, 2023, the Organization records accounts receivable, primarily related to student activities, net of an allowance for credit losses. As of June 30, 2025, the Organization had no significant accounts receivable and no allowance for credit losses recorded.

Contributions and Revenue Recognition

Grants and contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. The Organization will not recognize a conditional promise to give until the conditions on which the promise depends are substantially met. Contributions are reported as increases in net assets without donor restrictions or net asset with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Contributions expected to be collected in less than one year are reported at net realizable value. Those expected to be collected in more than one year are recorded at fair value at the date of the promise and are discounted at an appropriate discount rate. Future amortization of the discount will be included in contribution revenue. Management closely monitors outstanding balances and writes off any balances deemed uncollectible.

Revenues from federal and state grants are recorded when the Organization has a right to reimbursement under the related grant, generally corresponding to the incurring of grant-related costs by the Organization, or when earned under the terms of the grants. An accrual is made when eligible expenses are incurred.

The Organization's primary source of funding was through the State's Minimum Foundation Program (MFP). The Organization received revenue from the state based on eligible students in attendance on a monthly basis.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Normal building maintenance and minor equipment purchases are included as expenses of the Organization. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

The following are the estimated useful lives of the fixed assets of the Organization:

Assets	Useful Lives
Furniture, Fixtures, and Equipment	7 Years
Leasehold Improvements	Remaining Lease Term

Income Taxes

The Organization is recognized by the Internal Revenue Service (IRS) as a Section 501(c)(3) tax-exempt organization. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements.

Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

Compensated Absences

All teachers and staff are provided 10 days of paid annual sick leave. If the employee terminates at June 30th, the remaining days are forfeited. Accordingly, the Organization does not recognize a liability for accumulated compensated absences.

Leases

The Organization accounts for leases under FASB ASC 842, which requires lessees to record right-of-use (ROU) assets and related lease obligations on the balance sheet. The ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments over that term. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, *Leases*) and operating leases, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Leases (Continued)

ROU assets and liabilities are recognized at commencement based on the present value of lease payments over the lease term. ROU assets also include any lease payments made prior to lease commencement and exclude lease incentives. The lease term is the noncancelable period of the lease and includes options to extend or terminate the lease when it is reasonably certain that an option will be exercised. The Organization has elected the private company alternative available in ASC 842 to use a risk free rate over a similar term in computing the present value of lease payments.

As permitted by the standard, the Organization elected, for all asset classes, the short-term lease exemption. A short-term lease is a lease that, at the commencement date, has a term of twelve months or less and does not include an option to purchase the underlying asset.

Reversionary Interest in Funds and Assets

All funds received from the Louisiana Department of Education (LDOE), United States Department of Education (USDOE), or other state or federal agency are to be used for educational purposes as described in the Organization's charter agreements and grant awards. These agencies, however, have a reversionary interest in these funds, as well as any assets acquired with these funds.

Non-capital assets acquired by the Organization with non-public funds will remain the property of the Organization. Assets purchased with public funds obtained from public sources will automatically revert to the Board of Elementary and Secondary Education at the time this agreement is terminated. The Organization must maintain records of any assets acquired with private funds that will remain the property of the Organization.

Note 2. Concentrations

Revenue Concentrations

The Organization received 75% of its total revenues during the year ended June 30, 2025 from the LDOE and the OPSB as MFP payments subject to its charter agreement. See Note 8.

The Organization received 17% of its total revenues during the year ended June 30, 2025 from the federal government, subject to pass-through grant agreements with the LDOE and the OPSB. During the year ended June 30, 2025, federal granting agencies included United States Department of Agriculture and the United States Department of Education.

The Organization's operations are concentrated to the Greater New Orleans area.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 2. Concentrations (Continued)

Deposit Concentrations

Custodial credit risk is the risk that in the event of a bank failure, the Organization's deposits may not be recovered. The Organization periodically maintains deposits in bank accounts in excess of insured limits. As of June 30, 2025, the Organization's cash deposit balances were approximately \$3.2 million and certificate of deposit balances were approximately \$2.09 million. The Federal Deposit Insurance Corporation (FDIC) insures the total balance of accounts up to \$250,000, per financial institution. As of June 30, 2025, approximately \$2.6 million in cash deposits were uninsured. Also as of June 30, 2025, substantially all certificates of deposits were insured by the FDIC. The Organization has not experienced any losses as a result of this practice.

Note 3. Cash, Cash Equivalents, and Certificates of Deposit

The Organization's cash (book balance) at June 30, 2025 totaled \$3,209,389.

The Organization's certificates of deposit (book balance) at June 30, 2025 totaled \$2,092,968, which includes accrued interest receivable of \$17,968.

Note 4. Grants Receivable

As of June 30, 2025, grants receivable totaled \$1,074,870, which were receivables for federal and state grants passed through the LDOE and the OPSB. The stated balance is considered to be fully collectible.

Note 5. Property and Equipment

Depreciation expense totaled \$333,443 for the year ended June 30, 2025.

Note 6. Retirement Plan

The Organization offers a 401(k) plan to employees. Eligible employees may contribute up to the maximum allowed by the IRS. The Organization matches 100% of each employee's first 5% of their elective contributions. The Organization's match expense for the year ended June 30, 2025, amounted to \$157,280.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 7. Leases

OPSB Leases

The Organization entered into an agreement with the OPSB which allows the Organization to use the facilities and its contents located at 4407 South Carrollton Avenue, New Orleans, Louisiana 70119. The lease agreement is designated to Esperanza Charter School and expired on June 30, 2025.

The Organization entered into an agreement with the OPSB which allows the Organization to use the facilities and its contents located at 9330 Forshey Street, New Orleans, LA 70118. The lease agreement is designated to Esperanza Charter School and is set to expire on June 30, 2031.

The Organization entered into an agreement with the OPSB which allows the Organization to use the facilities and its contents located at 3121 St. Bernard Avenue, New Orleans, LA 70119. The lease agreement is designated to Foundation Preparatory Charter School and is set to expire on June 30, 2033.

All of the OPSB 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 schools 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. See Note 8.

Use of the properties in the aforementioned leases is not recorded as an in-kind contribution from, or related rent expense to, the OPSB as the value of the use of the land and building is not readily determinable.

Operating Leases

The Organization leases school buses under an operating lease agreement with an original term of 2 years. During May 2024, the lease was modified during the year ended June 30, 2024 to return certain buses associated and to reduce future payments accordingly. The modified lease agreement terminated on June 30, 2025. Operating lease cost is recognized on a straight-line basis over the lease term. Operating lease cost during the year ended June 30, 2025 was approximately \$380,945.

The school bus lease expired on June 30, 2025. The discount rate assigned to the lease at June 30, 2025 is 4.87%. Lease payments over the next year amount to \$390,000. Within these payments is an imputed interest amount of \$4,682, resulting in a present value of lease liabilities of \$385,318.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 8. Minimum Foundation Program (MFP)

The OPSB provides funding to the State of Louisiana, collected from local agencies, which passes through to the Organization as local MFP, which is determined on an annual basis based on the number of pupils enrolled as of October 1st and February 1st. Revenues received by OPSB from sales tax revenues, ad valorem taxes, and other sources are allocated to each school based on its enrollment. The State of Louisiana provides funding which is determined on an annual basis based on the number of pupils enrolled in the schools of the Organization as of October 1st and February 1st. This state-funded per pupil allocation is based on the most recently approved MFP formula resolution. For the year ended June 30, 2025, the Organization recognized state and local MFP revenue of \$11,249,012.

The OPSB charges and withholds an administration fee from MFP distributions. For the year ended June 30, 2025, the Organization recognized \$206,702 related to these administration fees. The Organization also pays state-mandated building usage fees which were withheld from MFP distributions. For the year ended June 30, 2025, the Organization recognized administration fee expense of \$175,244 related to these usage fees associated with its OPSB leases. See Note 7.

Note 9. Restrictions on Assets

Net assets with donor restrictions are restricted by donors for specific time periods or specific programs, purposes, or to assist specific departments of the Organization. These restrictions are considered to expire when payments for restricted purposes are made. There were \$239,542 of net assets with donor restrictions presented at June 30, 2025.

Note 10. Commitments, Contingencies, and Risk Management

The Organization's concentrations due to significant local, state, and federal funding make it reasonably possible that the Organization is vulnerable to the risk of a near-term significant impact.

Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near-term as a result of these conditions. See Note 2.

The Organization is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the year ended June 30, 2025 nor subsequent to year-end and through the date of the report.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 10. Commitments, Contingencies, and Risk Management (Continued)

In the normal course of business, the Organization is periodically engaged in various legal proceedings incidental to its normal business activities. The resolution of such matters is not expected to have a material adverse effect on the Organization's financial position, statement of activities and changes in net assets, or cash flows.

The Organization has a long-term employment agreement with its chief executive officer (CEO). The agreement includes a penalty provision should the CEO be terminated without cause. Under this provision, the remaining contract and benefits shall be paid through June 30, 2025. The agreement allows for various forms of compensation, including an annual salary, retirement contribution, automobile allowance, discretionary bonus, and other benefits. Annual total compensation under this agreement is expected to approximate \$240,000 to \$275,000. The agreement also requires a lump sum retirement payment of \$92,065 due by June 30, 2025. The agreement expired in June 2025 with an extension option through June 2027.

The Organization is currently in the process of evaluating liabilities and contingencies related to the closure of Lafayette Academy Charter School. Management has estimated that any unrecorded liabilities are not expected to be material to the Organization's financial statements.

Note 11. Charter Management Organization (CMO) Fees and Intracompany Balances

As the administrator of the schools, the Organization incurs and records overhead costs on behalf of all of its schools. Management of the Organization estimates an allocable amount of these costs to be charged to the schools on an annual basis using a predetermined rate and student head count. CMO fees allocated and charged to schools during the year ended June 30, 2025 have been eliminated from other income and management and general expenses on the accompanying statement of activities and changes in net assets.

The Organization records intracompany receivables and payables accumulated across its charter schools and the CMO. These amounts are recorded as intracompany receivables and intracompany payables. As of June 30, 2025, these amounts have been eliminated on the statement of financial position.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA

Notes to Financial Statements

Note 12. Liquidity and Availability

The Organization's objective is to maintain liquid financial assets without donor restrictions sufficient to cover 60 days of program expenditures. The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources the Organization has available. In addition, the Organization operates within a budget to monitor sources and uses of funds throughout the year.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash	\$ 3,209,389
Certificates of Deposit, Short-Term	1,342,000
Grants Receivable	1,074,870
Less: Donor Restricted Net Assets	<u>239,542</u>
Total	<u>\$ 5,865,801</u>

Note 13. Subsequent Events

No subsequent events occurring after December 13, 2025 have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Combining Statement of Financial Position by School
For the Year Ended June 30, 2025

	Lafayette Academy Charter School	Esperanza Charter School	Foundation Preparatory Charter School	Community Academies	Eliminations	Total
Assets						
Current Assets						
Cash	\$ 14,033	\$ 1,048,717	\$ 656,255	\$ 1,490,384	\$ -	\$ 3,209,389
Certificates of Deposit, Short-Term	-	-	-	1,342,000	-	1,342,000
Grants Receivable	14,081	436,026	324,763	300,000	-	1,074,870
Prepaid Expenses	-	12,080	(1,064)	(8,894)	-	2,122
Other Receivables	-	-	4,480	-	-	4,480
Intracompany Receivables	823,507	5,102,501	1,680,672	5,175,166	(12,781,846)	-
Total Current Assets	851,621	6,599,324	2,665,106	8,298,656	(12,781,846)	5,632,861
Property and Equipment						
Furniture, Fixtures, and Equipment	-	108,001	23,004	32,641	-	163,646
Leasehold Improvements	165,684	-	-	(165,684)	-	-
Less: Accumulated Depreciation	(165,684)	(4,553)	(17,294)	146,055	-	(41,476)
Net Property and Equipment	-	103,448	5,710	13,012	-	122,170
Other Assets						
Certificates of Deposit, Long-Term	-	-	-	750,968	-	750,968
Operating Lease Right-of-Use Assets	-	-	-	-	-	-
Total Other Assets	-	-	-	750,968	-	750,968
Total Assets	\$ 851,621	\$ 6,702,772	\$ 2,670,816	\$ 9,062,636	\$ (12,781,846)	\$ 6,505,999

See independent auditor's report.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Combining Statement of Financial Position by School (Continued)
For the Year Ended June 30, 2025

	Lafayette Academy Charter School	Esperanza Charter School	Foundation Preparatory Charter School	Community Academies	Eliminations	Total
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	\$ -	\$ 84,107	\$ 53,780	\$ 18,098	\$ -	155,985
Accrued Expenses	(32,886)	181,993	65,728	156,392	-	371,227
Operating Lease Liabilities, Current Portion	-	-	-	-	-	-
Intracompany Payables	2,240,576	2,870,606	3,409,212	4,261,452	(12,781,846)	-
Total Current Liabilities	2,207,690	3,136,706	3,528,720	4,435,942	(12,781,846)	527,212
Total Liabilities	2,207,690	3,136,706	3,528,720	4,435,942	(12,781,846)	527,212
Net Assets (Deficit)						
Without Donor Restrictions	(1,356,069)	3,606,875	(838,255)	4,326,694	-	5,739,245
With Donor Restrictions	-	(40,809)	(19,649)	300,000	-	239,542
Total Net Assets (Deficit)	(1,356,069)	3,566,066	(857,904)	4,626,694	-	5,978,787
Total Liabilities and Net Assets	\$ 851,621	\$ 6,702,772	\$ 2,670,816	\$ 9,062,636	\$ (12,781,846)	\$ 6,505,999

See independent auditor's report.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Combining Statement of Activities and Changes in Net Assets by School
For the Year Ended June 30, 2025

	Lafayette Academy Charter School			Esperanza Charter School			Foundation Preparatory Charter School		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue									
State and Local Public School Funding									
Minimum Foundation Program	\$ -	\$ -	\$ -	\$ 7,259,740	\$ -	\$ 7,259,740	\$ 3,989,272	\$ -	\$ 3,989,272
Federal Grants	-	-	-	1,080,272	-	1,080,272	270,555	-	270,555
Federal School Lunch Program	-	-	-	679,678	-	679,678	360,415	-	360,415
State Grants	-	-	-	427,692	-	427,692	130,577	-	130,577
Private Grants and Contributions	-	-	-	10,413	-	10,413	500	-	500
Interest Income	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	45,351	-	45,351	7,713	-	7,713
Miscellaneous Income (Expense), Net	15,231	-	15,231	(11,029)	-	(11,029)	2,693	-	2,693
(Loss) on Investments	-	-	-	-	-	-	-	-	-
Intracompany Revenue, Charter Management Fees	-	-	-	-	-	-	-	-	-
Net Assets Released from Restrictions	-	-	-	-	-	-	-	-	-
Total Support and Revenue	15,231	-	15,231	9,492,117	-	9,492,117	4,761,725	-	4,761,725
Total Expenses and Losses	28,958	-	28,958	10,609,602	-	10,609,602	5,035,715	-	5,035,715
Change in Net Assets	\$ (13,727)	\$ -	\$ (13,727)	\$ (1,117,485)	\$ -	\$ (1,117,485)	\$ (273,990)	\$ -	\$ (273,990)

See independent auditor's report.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Combining Statement of Activities and Changes in Net Assets by School (Continued)
For the Year Ended June 30, 2025

	Community Academies			Eliminating			Total		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue									
State and Local Public School Funding									
Minimum Foundation Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,249,012	\$ -	\$ 11,249,012
Federal Grants	182,964	-	182,964	-	-	-	1,533,791	-	1,533,791
Federal School Lunch Program	-	-	-	-	-	-	1,040,093	-	1,040,093
Other State Funding	9,627	-	9,627	-	-	-	567,896	-	567,896
Private Grants and Contributions	6,044	300,000	306,044	-	-	-	16,957	300,000	316,957
Interest Income	150,468	-	150,468	-	-	-	150,468	-	150,468
Other Income	11,446	-	11,446	-	-	-	64,510	-	64,510
Miscellaneous Income (Expense), Net	4,039	-	4,039	-	-	-	10,934	-	10,934
(Loss) on Investments	(1,776)	-	(1,776)	-	-	-	(1,776)	-	(1,776)
Intracompany Revenue, Charter Management Fees	3,404,740	-	3,404,740	(3,404,740)	-	(3,404,740)	-	-	-
Net Assets Released from Restrictions	60,458	(60,458)	-	-	-	-	60,458	(60,458)	-
Total Support and Revenue	3,828,010	239,542	4,067,552	(3,404,740)	-	(3,404,740)	14,692,343	239,542	14,931,885
Total Expenses and Losses	4,117,905	-	4,117,905	(3,404,740)	-	(3,404,740)	16,387,440	-	16,387,440
Change in Net Assets	\$ (289,895)	\$ 239,542	\$ (50,353)	\$ -	\$ -	\$ -	\$ (1,695,097)	\$ 239,542	\$ (1,455,555)

See independent auditor's report.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Schedule of Board of Directors
For the Year Ended June 30, 2025

Board Members	Compensation
Nicole Jolly, Chair	\$-0-
Adrienne Celestine, Vice Chair	\$-0-
Scott Champagne, Treasurer	\$-0-
Patricia Christovich, Secretary	\$-0-
Josh Cox	\$-0-
Alysson Mills	\$-0-
Ashleigh Netter	\$-0-
Brooke Wyatt	\$-0-
Margo Phelps	\$-0-

See independent auditor's report.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Schedule of Compensation, Benefits and Other Payments
to Agency Head
For the Year Ended June 30, 2025

Agency Head

Myrialis King, Chief Executive Officer

Purpose	Amount
Salary	\$205,000
Legislative Stipends	\$2,000
Benefits - Insurance	\$4,406
Benefits - Retirement	\$11,359
Benefits - Other	\$0
Car Allowance	\$12,000
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$562
Travel	\$43
Registration Fees	\$717
Conference Travel	\$3,610
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.



**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**

Independent Auditor's Report

To the Board of Directors
Community Academies of New Orleans, Inc.
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 financial statements of Community Academies of New Orleans, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 13, 2025.

Internal Control Over Financial Reporting

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

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

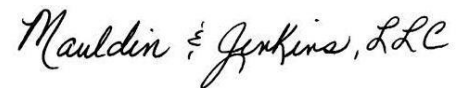
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 with 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.

A handwritten signature in cursive script that reads "Mauldin & Jenkins, LLC".

Covington, LA
December 13, 2025



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

Independent Auditor's Report

To the Board of Directors
Community Academies of New Orleans, Inc.
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization'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 GAAS, 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 judgement made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

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

Mauldin & Jenkins, LLC

Covington, LA
December 13, 2025

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Expenditures
<u>United States Department of Agriculture</u>			
Passed through the Louisiana Department of Education Child Nutrition Cluster National School Lunch Program	10.555	NONE	\$ 967,614
Total Child Nutrition Cluster			967,614
Commodity Supplemental Food Program	10.565	NONE	72,116
Total United States Department of Agriculture			1,039,730
<u>United States Department of Education</u>			
Passed through the Louisiana Department of Education Title I, Part A Title I Grants to Local Educational Agencies	84.010A	S010A220018	558,262
Title I Grants to LEAs - Redesign	84.010A	S010A210018	58,000
Total Title I, Part A			616,262 *
Special Education Cluster (IDEA) Special Education - Grants to States (IDEA Part B)	84.027A	H027A220033	212,308
Special Education - High Cost Services (IDEA Part B)	84.027A	H027A220033	40,611
Special Education - Preschool Grants (IDEA Preschool)	84.173A	H173A230082	1,473
Total Special Education Cluster (IDEA)			254,392
Title III English Language Acquisition State Grants	84.365A	S365A220018	39,869
Total Title III			39,869
Title II Supporting Effective Instruction State Grants Title IIA - Supporting Effective Instruction State Grants	84.367A 84.367	S367A230017 S367A2210017	63,367
Title IVA - Student Support and Academic Achievement	84.424A	S424A220019	23,047
COVID-19 - Education Stabilization Fund Elementary and Secondary School Emergency Relief Fund, IIIEB - Formula	84.425U	S425D210003	14,000
Elementary and Secondary School Emergency Relief Fund, III - Formula	84.425U	S425D210003	332,059
Elementary and Secondary School Emergency Relief Fund, ARP Homeless	84.425W	S425D210003	7,831
Total COVID-19 - Education Stabilization Fund			353,890
Passed through New Schools for New Orleans Teacher and School Leader Incentive Program	84.374A	S374A210033 - 22	182,964
Total United States Department of Education			1,533,791
Total Expenditures of Federal Awards			\$ 2,573,521

* Denotes Major Program

See notes to schedule of expenditures of federal awards.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 1. General

The accompanying schedule of expenditures of federal awards (SEFA) presents the activity of the federal awards of Community Academies of New Orleans, Inc. (the Organization). The Organization's reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2025. All federal awards received from federal agencies are included on the schedule.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Organization and is presented on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Organization has met the qualifications for the respective grants.

Accrued Reimbursement

Various reimbursement procedures are used for federal awards received by the Organization. Consequently, timing differences between expenditures and program reimbursements may exist at the beginning and end of the year. Any accrued balances at year-end represent an excess of reimbursable expenditures over reimbursements received.

Note 3. Indirect Cost Rates

The Organization utilized a preapproved indirect cost rate of approximately 8% on the Teacher and School Leader Incentive Program. The Organization did not record any other expenditures related to indirect cost rate calculations nor any 10% de minimis cost rate calculations in its schedule of expenditures of federal awards as there were no indirect cost rates utilized as part of the federal grant activity.

Note 4. Program Income and Reconciliation to Statement of Activities

Program income related to income from meals totaling \$363 is included in Federal School Lunch Program on the statement of activities and changes in net assets.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Part I - Summary of Auditor's Results

Financial Statement Section

- | | |
|---|------------|
| 1. Type of auditor's report | Unmodified |
| 2. Compliance and internal control over financial reporting | |
| a. Material weaknesses identified? | None |
| b. Significant deficiencies identified not considered
to be material weaknesses? | None |
| c. Noncompliance noted? | None |

Federal Awards Section

- | | |
|--|------------|
| 3. Type of auditor's report issued on compliance for major programs | Unmodified |
| 4. Internal control over major programs | |
| a. Material weaknesses identified? | None |
| b. Significant deficiencies identified not considered
to be material weaknesses? | None |
| 5. Audit findings disclosed that are required in accordance with
the Uniform Guidance | None |
| 6. Identification of major programs | |
| 84.010 - Title I, Part A | |
| 7. Dollar threshold used to distinguish between Type A and B programs | \$750,000 |
| 8. Auditee qualified as a low-risk auditee under the Uniform Guidance | Yes |

Part II - Financial Statement Findings Section

None.

Part III - Federal Award Findings and Questioned Costs Section

None.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Summary Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2025

Part I - Financial Statement Findings Section

None.

Part II - Federal Award Findings and Questioned Costs Section

None.

**COMMUNITY ACADEMIES
OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA**

Agreed-Upon Procedures
R.S. 24:514 - Performance and Statistical Data

June 30, 2025

Contents	Schedule	Page
Independent Accountant's Report on Applying Agreed-Upon Procedures		1 - 3
Schedules Required by Louisiana State Law (R.S. 24:514 - Performance and Statistical Data)		4
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	1	5
Class Size Characteristics	2	6



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Community Academies of New Orleans, Inc.
New Orleans, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Community Academies of New Orleans, Inc. (the Organization) 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 the Organization is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

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

Findings: No exceptions identified.

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 1st roll books for those classes and observed that the class was properly classified on the schedule.

Findings: One class reported under the incorrect classification. No other exceptions noted.

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.

Findings: No data found or incorrect data reported for years of experience for seven individuals. No other exceptions noted.

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

Findings: No exceptions identified.

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

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Organization, as required by Louisiana Revised Statute 24:514.I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Mauldin & Jenkins, LLC

Covington, LA
December 13, 2025

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Schedules Required by Louisiana State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and For the Year Ended June 30, 2025

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

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

Schedule 2 - Class Size Characteristics

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

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2025

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures

Teacher and Student Interaction Activities		
Classroom Teacher Salaries	\$ 2,513,685	
Other Instructional Staff Activities	848,588	
Instructional Staff Employee Benefits	587,263	
Purchased Professional and Technical Services	35,843	
Instructional Materials and Supplies	63,374	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities		\$ 4,048,753
Other Instructional Activities		94,253
Pupil Support Services	554,412	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services		554,412
Instructional Staff Services	1,114,723	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		1,114,723
School Administration	1,922,221	
Less: Equipment for School Administration	-	
Net School Administration		1,922,221
Total General Fund Instructional Expenditures		<u>\$ 7,734,362</u>
Total General Fund Equipment Expenditures		<u>\$ -</u>

Certain Local Revenue Sources

Local Taxation Revenue

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

Local Earnings on Investment in Real Property

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

State Revenue in Lieu of Taxes

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

Nonpublic Textbook Revenue	<u>\$ -</u>
Nonpublic Transportation Revenue	<u>\$ -</u>

See independent accountant's report on applying agreed-upon procedures.

COMMUNITY ACADEMIES OF NEW ORLEANS, INC.
NEW ORLEANS, LOUISIANA
Class Size Characteristics
As of October 1, 2024

Schedule 2

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	17%	28	44%	73	37%	62	2%	3.00
Elementary Activity Classes	0%	0	38%	6	50%	8	12%	2.00

See independent accountant's report on applying agreed-upon procedures.

AGREED-UPON PROCEDURES REPORT

Community Academies of New Orleans

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period July 1, 2024 - June 30, 2025

To the Board of Directors of
Community Academies of New Orleans
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the Community Academies of New Orleans, Inc.'s (the Organization) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year July 1, 2024 through June 30, 2025. The Organization's management is responsible for those C/C areas identified in the SAUPs.

The Organization 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 the LLA's SAUPs for the fiscal year July 1, 2024 through June 30, 2025. Additionally, the 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 results 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.
 - 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.
 - iii. **Disbursements**, including processing, reviewing, and approving.

- 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).
- 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.
- 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.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- 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).
- 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.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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.
- 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.

Results: We obtained and inspected the entity's written policies and procedures over the above categories. We noted that the Organization's written policies and procedures over contracting and ethics did not address all required subcategories. The Organization documented compensating controls over legal review for its contracts, including a contract template reviewed by an attorney, an attorney as a board chair to review contracts, and an attorney as an agency head to review contracts. The Organization documented compensating controls over ethics monitoring in that the Organization's Human Resource department e-mails reminders and notifications to complete the annual training, and the Human Resources annual meeting to present policy updates. No other exceptions noted.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: No exceptions identified.

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

Results: No exceptions identified.

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

Results: No exceptions identified.

We were engaged by the Organization 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 Organization 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 on those C/C areas identified in LLA's SAUP, and the results 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.

Mauldin & Jenkins, LLC

Covington, LA
December 13, 2025