



Redesign Schools Louisiana

Regular Board Meeting

Date and Time

Saturday March 22, 2025 at 10:00 AM CDT

Location

Dalton Elementary School

[Redesign Schools Louisiana - YouTube](#)

Agenda

	Purpose	Presenter	Time
I. Opening Items			10:00 AM
Opening Items			
A. Call the Meeting to Order		Genevieve Pope	1 m
B. Record Attendance and Guests		Genevieve Pope	1 m
C. Motion to approve the minutes from the January 25, 2025 Regular Board Meeting	Approve Minutes	Genevieve Pope	1 m
II. Items scheduled for receipt/information			10:03 AM
A. Audit Report	FYI	Auditor	10 m

	Purpose	Presenter	Time
B. Superintendent Report	FYI	Megan McNamara	5 m
C. Financial Committee Report	FYI	Pamela Baldwin	5 m
D. Financial Manual Review	Discuss	Candace Lucas	5 m
III. Items Scheduled for Action			10:28 AM
A. Motion to approve Unaudited Financials thru January 31, 2025	Vote	Justin Chatelain	5 m
B. Motion to approve 25-26 School Calendar	Vote	Genevieve Pope	5 m
IV. Notice			10:38 AM
A. Accommodations	FYI		
<p>REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY</p> <p>Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting of the Governing Board may request assistance by contacting:</p> <p>Redesign Schools Louisiana 4705 Lanier Dr. Baton Rouge, LA 70812 Phone: 225-910-3891</p> <p>FOR MORE INFORMATION</p> <p>For more information concerning this agenda, please contact Redesign Schools Louisiana using the information above.</p>			
V. Closing Items			
A. Next Finance Committee meeting is May 7, 2025 at noon at Dalton Elementary School	FYI	Genevieve Pope	
B. Next Budget Hearing Meeting, May 17, 2025 at 9:30 a.m. at Dalton Elementary School	FYI	Genevieve Pope	

	Purpose	Presenter	Time
C. Next Regular Board Meeting is May 17, 2025 at 10 a.m. at Dalton Elementary School	FYI	Genevieve Pope	
D. Adjourn Meeting	Vote	Genevieve Pope	

Coversheet

Motion to approve the minutes from the January 25, 2025 Regular Board Meeting

Section:	I. Opening Items
Item:	C. Motion to approve the minutes from the January 25, 2025 Regular Board Meeting
Purpose:	Approve Minutes
Submitted by:	
Related Material:	Minutes for Regular Board Meeting on January 25, 2025

DRAFT



Redesign Schools Louisiana

Minutes

Regular Board Meeting

Date and Time

Saturday January 25, 2025 at 10:00 AM

Location

Dalton Elementary School

Streamed Live at www.youtube.com/@redesignschoolsloisiana

Directors Present

C. Richard, G. Pope, J. Chatelain, M. Mullen, P. Baldwin

Directors Absent

K. George, S. Banks

Guests Present

A. Beck, Brandi Beal, C. Lucas, Lisa Hebert, M. McNamara, Nicole Jones (remote)

I. Opening Items

A. Call the Meeting to Order

G. Pope called a meeting of the board of directors of Redesign Schools Louisiana to order on Saturday Jan 25, 2025 at 10:13 AM.

B. Record Attendance and Guests

C.

Motion to approve the minutes from the December 7, 2024 Regular Board Meeting

M. Mullen made a motion to approve the minutes from Regular Board Meeting on 12-07-24.

J. Chatelain seconded the motion.

The board **VOTED** to approve the motion.

D. Motion to amend agenda to consider appointment of Lisa Hebert as Board Member

G. Pope made a motion to amend agenda.

P. Baldwin seconded the motion.

The board **VOTED** to approve the motion.

II. Items scheduled for receipt/information

A. Principal Report

Nicole Jones presented Principal's report.

B. Superintendent Report

Dr. McNamara presented the Superintendent's report.

C. Financial Committee Report

Mr. Chatelain presented the Financial Committee report.

III. Items Scheduled for Action

A. Motion to approve Unaudited Financials thru November 30, 2024

P. Baldwin made a motion to approve.

C. Richard seconded the motion.

The board **VOTED** to approve the motion.

B. Motion to appoint Lisa Hebert as Board Member

C. Richard made a motion to appoint Lisa Hebert.

J. Chatelain seconded the motion.

The board **VOTED** to approve the motion.

IV. Closing Items

A. Next Finance Committee meeting is March 12, 2025 at noon at Dalton Elementary School

B. Next Regular Board Meeting is March 22, 2025 at 10 a.m. at Dalton Elementary School

C.

Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 11:25 AM.

Respectfully Submitted,
C. Lucas

Coversheet

Audit Report

Section:	II. Items scheduled for receipt/information
Item:	A. Audit Report
Purpose:	FYI
Submitted by:	
Related Material:	RSL FS June 30 2024.pdf

REDESIGN SCHOOLS
LOUISIANA
Baton Rouge, Louisiana

Financial Report
Year Ended June 30, 2024

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KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel

C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KCSRCPAS.COM

* A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT

Dr. Megan McNamara, Superintendent
and Members of the Board of Directors
Redesign Schools Louisiana
Baton Rouge, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Redesign Schools Louisiana (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, 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 Redesign Schools Louisiana as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Redesign Schools Louisiana 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Redesign Schools Louisiana's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Redesign Schools Louisiana'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, which raise substantial doubt about Redesign Schools Louisiana'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 combining statements of financial position, activities, and functional expenses, the schedule of compensation, benefits and other payments to agency head and 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*, 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 auditing standards generally accepted in the United States of America. In our opinion, the

combining statements of financial position, activities, and functional expense, the schedule of compensation, benefits and other payments to agency head and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2025, on our consideration of Redesign Schools of Louisiana'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 this 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 Redesign Schools Louisiana'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 Redesign Schools of Louisiana's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
February 28, 2025

FINANCIAL STATEMENTS

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana
Statement of Financial Position
June 30, 2024

ASSETS

Current assets:

Cash and cash equivalents	\$ 4,947,741
Other receivables	1,338,343
Prepaid expense	<u>213,705</u>
Total current assets	<u>6,499,789</u>

Noncurrent assets:

Right of Use Asset - Equipment, net	<u>9,307</u>
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Total assets	<u>\$ 6,509,096</u>
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LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 465,317
Accrued expenses	280,628
Lease payable - current portion	<u>9,870</u>

Total current liabilities	<u>755,815</u>
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Net assets:

Without donor restrictions	5,597,931
With donor restrictions	<u>155,350</u>

Total net assets	<u>5,753,281</u>
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Total liabilities and net assets	<u>\$ 6,509,096</u>
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The accompanying notes are an integral part of the basic financial statements.

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Statement of Activities
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Changes in net assets			
Revenues, gains and other support:			
State MFP revenues	\$ 5,205,216	\$ 150,154	\$ 5,355,370
Federal grants	5,991,162	1,388	5,992,550
State grants	155,743	-	155,743
Miscellaneous revenue	21,250	-	21,250
Total	<u>11,373,371</u>	<u>151,542</u>	<u>11,524,913</u>
Expenses and losses:			
Program services	7,656,851	-	7,656,851
Supporting services -			
Administrative expenses	<u>2,740,216</u>	<u>-</u>	<u>2,740,216</u>
Total	<u>10,397,067</u>	<u>-</u>	<u>10,397,067</u>
Change in net assets	976,304	151,542	1,127,846
Net assets, beginning of year, as restated	<u>4,621,627</u>	<u>3,808</u>	<u>4,625,435</u>
Net assets, end of year	<u>\$ 5,597,931</u>	<u>\$ 155,350</u>	<u>\$ 5,753,281</u>

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

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services	Supporting Services	Total
Expenses:			
Salaries	\$ 3,872,655	\$ 1,145,130	\$ 5,017,785
Payroll taxes	279,877	107,625	387,502
Employee group insurance	448,333	461	448,794
Retirement fund contribution	46,122	-	46,122
Other employee benefits	30,641	-	30,641
Food service management	389,388	-	389,388
Transportation	691,064	-	691,064
Other professional services	1,194,396	851,519	2,045,915
Amortization of right to use assets	-	41,854	41,854
Utilities	225,941	-	225,941
Telephone and postage	-	77,545	77,545
Dues and fees	-	104,973	104,973
Insurance	-	157,460	157,460
Repairs and maintenance	165,447	-	165,447
Audit / accounting services	-	48,500	48,500
Purchased services	77,125	113,098	190,223
Materials and supplies	207,495	91,123	298,618
Books and periodicals	26,404	-	26,404
Miscellaneous expense	<u>1,963</u>	<u>928</u>	<u>2,891</u>
Totals	<u>\$ 7,656,851</u>	<u>\$ 2,740,216</u>	<u>\$10,397,067</u>

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

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2024

Cash flows from operating activities:	
Change in net assets without donor restrictions	\$ 1,127,846
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by operating activities -	
Amortization of right to use asset	41,854
Decrease (increase) in operating assets	
Other accounts receivable	2,340,313
Prepaid expenses	(24,425)
Increase in operating liabilities	
Accounts payable	36,761
Accrued expenses	54,822
Decrease in deferred revenues	<u>(7,808)</u>
Net cash provided by operating activities	<u>3,569,363</u>
Cash flows from financing activities:	
Payments on lease payable	<u>(41,291)</u>
Net change in cash and cash equivalents	3,528,072
Cash and cash equivalents, beginning of year	
Unrestricted	<u>1,419,669</u>
Cash and cash equivalents, end of year:	
Unrestricted	<u>\$ 4,947,741</u>
Supplemental disclosure:	
Interest paid	<u>\$ 1,202</u>

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

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

(1) Nature of Activities and Significant Accounting Policies

A. Nature of Organization and Operations

Redesign Schools Louisiana (RSL) is a non-profit public benefit corporation organized under the laws of the State of Louisiana under its original name of Celerity Schools Louisiana. The Celerity Schools Louisiana underwent a name change during the fiscal year ending June 30, 2020 to Redesign Schools Louisiana. RSL was granted a charter by the State Board of Elementary and Secondary Education (BESE) in 2014 to provide schools where at-risk students can thrive in an atmosphere of high expectations with an engaging curriculum and challenging learning activities. RSL operated three charter schools in Baton Rouge, Louisiana during the current fiscal year at Lanier Elementary, Dalton Elementary, and Glen Oaks Middle.

B. Financial Statement Presentation

RSL reports information regarding its financial position and activities according to two classes of net assets: Net Assets without Donor Restrictions and Net Assets with Donor Restrictions.

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

C. Public Support and Revenue

RSL receives its grant support primarily from the Louisiana State Department of Education Minimum Foundation program. Approximately 47% of RSL's funding was received from this program. Other public support is received from the U.S. Department of Education.

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

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

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

D. Net Assets

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

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

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

E. Cash and Cash Equivalents

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

F. Receivables

Grants and other receivables are stated at the amount management expects to collect in the future. Management provides for uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current collectability of individual account balances. Account balances that are still outstanding after management has made reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable balance.

G. Fixed Assets

Fixed assets are recorded at historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. It is RSL's policy to capitalize fixed assets valued at \$5,000 or more. Fixed assets are being depreciated over their estimated useful lives using the straight-line method. The range of estimated useful lives is as follows:

Buildings and improvements	20-40 years
Furniture and fixtures	5-10 years
Machinery and equipment	3-7 years

The carrying value of fixed assets is reviewed by management whenever events or circumstances indicate that the carrying value may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When a fixed asset is considered to be impaired by management, an impairment loss is recognized to the extent that the carrying value of the fixed asset

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

exceeds its fair value. Management has noted no indications that RSL's fixed assets are impaired during the year ended June 30, 2024.

H. Compensated Absences

Employees of RSL do not earn paid vacation time but receive two days of personal unpaid leave per year. Full-time RSL employees are awarded sick leave at a rate of two hours per pay period up to a maximum of forty-eight hours earned during the year. Unused sick leave hours may be carried over to next year but are not earned during an unpaid leave of absence. At the time of retirement, death or termination, no monies are owed or paid to an employee for accumulated sick leave. Therefore, no compensated absences liability is recorded at June 30, 2024.

I. Leases

RSL's management applies judgement when determining whether a contract contains a lease and whether a lease is classified as operating or financing. RSL defines the lease term as the non-cancellable term which may include options to extend and/or terminate when it is reasonably certain management will exercise these options. The lease term is used in determining classification between operating and financing leases, calculating the lease liability, and determining the incremental borrowing rate. Management also applies judgement in allocating the consideration in a contract between the lease and non-lease components and determining the RSL's incremental borrowing rate used to discount lease payments. Judgement is also used to determine the incremental borrowing rate of each lease by estimating the credit rating of RSL 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.

J. Functional Allocation of Expenses

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

K. Revenue Recognition

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

L. Fair Value Financial Instruments

The carrying value of cash, receivables, prepaid expenses, accounts payable, and accrued expenses approximates fair value due to the short-term maturity of these instruments. None of the financial instruments are held for trading purposes.

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

M. Income Taxes

RSL is a non-profit corporation that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and is an organization that is not a private foundation as defined in Section 509(a) of the Code. RSL is also exempt from Louisiana income tax. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by management and recognize a tax liability (or asset) if management has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by RSL and concluded that as of June 30, 2024 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. RSL is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

N. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

At June 30, 2024, RSL had cash and interest-bearing deposits (book balances) totaling \$4,947,741. These deposits were stated at cost, which approximates market. Deposit balances (bank balances) at June 30, 2024 totaled \$4,947,741. The accounts were insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000 at each financial institution. Total uninsured cash balances at June 30, 2024 of \$4,697,741 were exposed to custodial credit risk.

(3) Other Receivables

Other receivables consisted of the following at June 30, 2024:

United States Department of Education:	
ESSER	\$ 918,613
Title I	345,215
United States Department of Agriculture	
School Food Service	47,731
Other	26,784
	<u>\$ 1,338,343</u>

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

Grant receivables were considered to be fully collectible by management. Accordingly, no allowance for doubtful accounts was required at June 30, 2024

(4) Prepaid Expense

Prepaid expenses consisted of the following at June 30, 2024:

Insurance	\$ 67,290
Consultants	72,000
Staff training	36,600
Software subscriptions	14,495
Student consumables	23,320
	<u>\$213,705</u>

(5) Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2024 are restricted for the following purposes:

	Beginning Balance <u>2023</u>	Subject to Specific <u>Purpose</u>	Specific Pupose <u>Satisfied</u>	Ending Balance <u>2024</u>
Instructional salaries and benefits (MFP)	\$ -	\$ 150,154	\$ -	\$ 150,154
Federal grants				
Capital expenses	3,808	388	-	4,196
Operating expenses	-	1,000	-	1,000
	<u>\$ 3,808</u>	<u>\$ 151,542</u>	<u>\$ -</u>	<u>\$ 155,350</u>

(6) Defined Contribution Retirement Plan

RSL sponsors a defined contribution 403(b) plan (the Plan) for its employees that was originally adopted in January 2015. Effective August 1, 2021, the Plan covers all employees with RSL matching one hundred percent of the employee's first three to five percent of contributions. The employer's match is determined based on the employee's length of service to RSL as well as the employee's classification as a certificated or classified employee. RSL paid matching contributions of \$46,122 to the Plan which is included as program services expense in the statement of activities.

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

(7) Lease Commitments

Lease agreements are summarized below:

In October 2021 RSL entered into two lease agreements with a third-party for the use of equipment located at its Dalton Elementary and Lanier Elementary campuses, respectively, which are located in Baton Rouge, Louisiana. The original leases were for a three-year term beginning November 2021 through October 2024.

Adoption of ASU No. 2016-02, *Leases* (Topic 842)

RSL's management elected to adopt ASC No. 2016-02 *Leases* (Topic 842) effective July 1, 2022. The new lease standard established a right-of-use (ROU) model which requires the lessee to record a ROU asset and a corresponding lease liability on the balance sheet for all leases with a term longer than twelve months. Leases are classified as either finance or operating, with the classification affecting the pattern of expense recognition over the life of the lease. Leases with a term of less than twelve months are excluded from the requirements of Topic 842.

When adopting Topic 842, RSL management elected to use the optional transition method to initially apply the new lease standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption. Management also elected to adopt the package of practical expedients available under the transition guidance as follows.

- Relief from determination of lease contracts included in existing or expiring leases at the time of adoption.
- Relief from having to reevaluate the classification of leases in effect at the time of adoption.
- Relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract.
- Use of hindsight to determine the lease term and assess the impairment of the right-of-use assets.

Additional information about RSL's leases for the year ending June 30, 2024 is as follows.

Operating lease cost	<u>\$ 30,000</u>
Cash paid for amounts in lease liabilities	\$ 30,000
Operating cash flows from operating leases	\$ 30,000

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 83,762
Weighted-average remaining lease term- operating leases	.33 years
Weighted-average discount rate- operating leases	5.00%

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

Year Ending June 30,	Principal payments	Interest payments	Totals
<u>2025</u>	<u>\$ 9,870</u>	<u>\$ 96</u>	<u>\$ 9,966</u>

Amortization of right to use assets for the year ending June 30, 2024 was \$41,854.

(8) Compensation Paid to Members of the Board of Directors

Members of the Board of Directors of Redesign Schools Louisiana serve without compensation. Reasonable expenses incurred by Board Members while conducting business on behalf of Redesign Schools Louisiana are reimbursed upon receipt of appropriate supporting documentation.

(9) Advertising

Advertising costs were expensed as incurred. Total advertising expense for the year ended June 30, 2024 was \$24,975.

(10) Contingencies

Financial awards from federal, state, and local governmental entities in the form of grants are subject to audit and review by the entities providing the funding. Such audits and reviews could result in expenses being disallowed under the terms and conditions of the grants. Management is not aware of any disallowances related to grants as of June 30, 2024. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

(11) Liquidity and Availability of Resources

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

Cash and cash equivalents	\$ 4,947,741
Other receivables	1,338,343
Prepaid expense	<u>213,705</u>
Total current assets	<u>\$ 6,499,789</u>

As part of RSL'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.

(12) Prior Period Restatements - Correction of Errors

During the year ending June 30, 2024, management determined that various account balances recorded as prepaid expenses, deferred revenues and net assets with donor restrictions were misstated in the prior year. Management determined that prepaid expenses were overstated by \$19,386, deferred revenues were understated by \$7,808, and net assets with donor restrictions were overstated by \$2,316,558, resulting in total net assets being overstated by \$27,194 at June 30, 2023.

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
June 30, 2023, as reported	\$ 2,332,263	\$ 2,320,366	\$ 4,652,629
Adjustments:			
Prepaid expenses	(19,386)	-	(19,386)
Deferred revenues	(7,808)	-	(7,808)
Restricted assets	<u>2,316,558</u>	<u>(2,316,558)</u>	<u>-</u>
July 1, 2023, as restated	<u>\$ 4,621,627</u>	<u>\$ 3,808</u>	<u>\$ 4,625,435</u>

REDESIGN SCHOOLS LOUISIANA

Notes to Financial Statements

The effects of the adjustments to beginning net assets, as reported in the combining financial statements at June 30, 2023, were as follows.

	Lanier Elementary School	Dalton Elementary School	Glen Oaks Middle School	Totals
June 30, 2023, as reported	\$ 1,930,873	\$1,948,458	\$ 773,298	\$4,652,629
Adjustments:				
Prepaid expenses	(8,643)	(8,782)	(1,961)	(19,386)
Deferred revenues	<u>(2,604)</u>	<u>(2,602)</u>	<u>(2,602)</u>	<u>(7,808)</u>
July 1, 2023, as restated	<u>\$ 1,919,626</u>	<u>\$1,937,074</u>	<u>\$ 768,735</u>	<u>\$4,625,435</u>

(13) Litigation

There was no litigation pending against Redesign Schools Louisiana as of June 30, 2024.

(14) Evaluation of Subsequent Events

The management of RSL has evaluated subsequent events through February 28, 2025, the date these financial statements were available for release.

SUPPLEMENTAL SCHEDULES

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Combining Statement of Financial Position
June 30, 2024

	Lanier Elementary School	Dalton Elementary School	Glen Oaks Middle School	Total (Memorandum Only)
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,401,531	\$ 2,253,404	\$ 292,806	\$ 4,947,741
Other receivables	231,669	360,277	746,397	1,338,343
Prepaid expense	<u>118,423</u>	<u>95,282</u>	<u>-</u>	<u>213,705</u>
Total current assets	<u>2,751,623</u>	<u>2,708,963</u>	<u>1,039,203</u>	<u>6,499,789</u>
Noncurrent assets:				
Right of Use Asset - Equipment, net	<u>3,111</u>	<u>3,098</u>	<u>3,098</u>	<u>9,307</u>
Total assets	<u>\$ 2,754,734</u>	<u>\$ 2,712,061</u>	<u>\$ 1,042,301</u>	<u>\$ 6,509,096</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	\$ 152,487	\$ 235,301	\$ 77,529	\$ 465,317
Accrued expenses	117,778	113,530	49,320	280,628
Lease payable - current portion	<u>3,296</u>	<u>3,287</u>	<u>3,287</u>	<u>9,870</u>
Total current liabilities	<u>273,561</u>	<u>352,118</u>	<u>130,136</u>	<u>755,815</u>
Net assets:				
Without donor restrictions	2,393,155	2,292,611	912,165	5,597,931
With donor restrictions	<u>88,018</u>	<u>67,332</u>	<u>-</u>	<u>155,350</u>
Total net assets	<u>2,481,173</u>	<u>2,359,943</u>	<u>912,165</u>	<u>5,753,281</u>
Total liabilities and net assets	<u>\$ 2,754,734</u>	<u>\$ 2,712,061</u>	<u>\$ 1,042,301</u>	<u>\$ 6,509,096</u>

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Combining Statement of Activities
For the Year Ended June 30, 2024

	Lanier Elementary School	Dalton Elementary School	Glen Oaks Middle School	Total (Memorandum Only)
Changes in net assets				
Revenues, gains and other support:				
State MFP revenues	\$ 2,288,019	\$ 2,144,601	\$ 922,750	\$ 5,355,370
Federal grants	2,181,732	2,113,551	1,697,267	5,992,550
State grants	134,710	9,667	11,366	155,743
Miscellaneous revenue	<u>-</u>	<u>20,250</u>	<u>1,000</u>	<u>21,250</u>
Total	<u>4,604,461</u>	<u>4,288,069</u>	<u>2,632,383</u>	<u>11,524,913</u>
Expenses and losses:				
Program services	3,084,308	2,920,890	1,651,653	7,656,851
Supporting services -				
Administrative expenses	<u>958,606</u>	<u>944,310</u>	<u>837,300</u>	<u>2,740,216</u>
Total	<u>4,042,914</u>	<u>3,865,200</u>	<u>2,488,953</u>	<u>10,397,067</u>
Change in net assets	561,547	422,869	143,430	1,127,846
Net assets, beginning of year, as restated	<u>1,919,626</u>	<u>1,937,074</u>	<u>768,735</u>	<u>4,625,435</u>
Net assets, end of year	<u>\$ 2,481,173</u>	<u>\$ 2,359,943</u>	<u>\$ 912,165</u>	<u>\$ 5,753,281</u>

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Combining Statement of Functional Expenses
For the Year Ended June 30, 2024

	Lanier Elementary School	Dalton Elementary School	Glen Oaks Middle School	Total (Memorandum Only)
Program Services Expenses:				
Salaries	\$ 1,689,789	\$ 1,422,519	\$ 760,347	\$ 3,872,655
Payroll taxes	121,934	104,429	53,514	279,877
Employee group insurance	175,107	193,501	79,725	448,333
Retirement fund contribution	18,304	17,063	10,755	46,122
Other employee benefits	10,859	10,094	9,688	30,641
Food service management	166,586	157,924	64,878	389,388
Transportation	274,719	270,029	146,316	691,064
Other professional services	383,507	507,432	303,457	1,194,396
Utilities	94,711	69,911	61,319	225,941
Repairs and maintenance	60,759	73,984	30,704	165,447
Purchased services	29,531	27,349	20,245	77,125
Materials and supplies	49,693	60,877	96,925	207,495
Books and periodicals	7,466	5,433	13,505	26,404
Miscellaneous expense	1,343	345	275	1,963
Totals	<u>\$ 3,084,308</u>	<u>\$ 2,920,890</u>	<u>\$ 1,651,653</u>	<u>\$ 7,656,851</u>

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Combining Statement of Functional Expenses
For the Year Ended June 30, 2024

	Lanier Elementary School	Dalton Elementary School	Glen Oaks Middle School	Total (Memorandum Only)
Supporting Services Expenses:				
Salaries	\$ 373,041	\$ 376,614	\$ 395,475	\$ 1,145,130
Payroll taxes	38,164	34,964	34,497	107,625
Employee group insurance	238	223	-	461
Other professional services	312,240	308,439	230,840	851,519
Amortization of right to use assets	13,951	13,951	13,951	41,853
Telephone and postage	22,403	23,585	31,557	77,545
Dues and fees	43,723	42,464	18,786	104,973
Insurance	63,843	54,040	39,577	157,460
Audit / accounting services	18,430	17,945	12,125	48,500
Purchased services	48,854	54,997	51,101	154,952
Materials and supplies	23,351	16,796	9,123	49,270
Miscellaneous expense	368	292	268	928
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 958,606</u>	<u>\$ 944,310</u>	<u>\$ 837,300</u>	<u>\$ 2,740,216</u>

REDESIGN SHCOOLS LOUISIANA
Baton Rouge, Louisiana

Schedule of Compensation, Benefits and
Other Payments to Agency Head

June 30, 2024

Agency Head: Dr. Megan McNamara, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 175,000
Benefits - social security / medicare	12,531
Benefits - insurance	6,449
Benefits - retirement	8,582
Car allowance	<u>6,000</u>
	<u>\$ 208,562</u>

**INTERNAL CONTROL
COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel

C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020

Christine C. Doucet, CPA - retired 2022

Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

WWW.KCSRCPAS.COM

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*

Dr. Megan McNamara, Superintendent,
and Members of the Board of Directors
Redesign Schools Louisiana
Baton Rouge, 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 Redesign Schools Louisiana (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Redesign Schools Louisiana'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 the objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2024-001.

Redesign Schools Louisiana's Response to Findings

Governmental Auditing Standards require the auditor to perform limited procedures on Redesign Schools of Louisiana's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Redesign Schools of Louisiana's response was not subjected to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
February 28, 2025

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
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Phone (337) 893-7944 Phone (985) 384-2020

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Phone (337) 363-2792 Phone (225) 293-8300

WWW.KCSRPCAS.COM

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

Dr. Megan McNamara, Superintendent,
and Members of the Board of Directors
Redesign Schools Louisiana
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Redesign Schools Louisiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Redesign Schools Louisiana's major federal programs for the year ended June 30, 2024. Redesign Schools Louisiana'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, Redesign Schools Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2024.

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 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 Redesign Schools Louisiana 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 Redesign Schools Louisiana'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 Redesign Schools Louisiana'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 Redesign Schools Louisiana'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 Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Redesign Schools of Louisiana's compliance with the requirements of the major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
February 28, 2025

REDESIGN SCHOOLS LOUISIANA

Baton Rouge, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-through Identifying Number	Federal Expenditures	Amounts Passed Through to Subrecipients
<u>United States Department of Agriculture-</u>				
<u>Child Nutrition Cluster</u>				
Passed through Louisiana Department of Education				
National School Lunch Program	10.555	N/A	\$ 478,948	\$ -
Total United States Department of Agriculture			<u>478,948</u>	<u>-</u>
<u>United States Department of Education-</u>				
<u>Special Education Cluster (IDEA)</u>				
Passed through Louisiana Department of Education				
Special Education Grants to States	84.027A	H027A230033	\$ 122,388	
Special Education Preschool Grants	84.173A	H173A230082	<u>8,061</u>	
Total Special Education Cluster (IDEA)			130,449	-
Title I Grants to Local Educational Agencies	84.010A	S010A230018	943,718	
Title I Grants to Local Educational Agencies	84.010A	S010A230018	<u>9,600</u>	
Total Title I Grants to Local Educational Agencies #84.010A			953,318	-
Title II Supporting Effective Instruction	84.367	S367A230017	47,622	-
Comprehensive Literacy State Development K-5	84.371C	S371C200018	325,000	
Comprehensive Literacy State Development 6-8	84.371C	S371C200018	<u>89,285</u>	
Total for Assistance Listing Number #84.371C			414,285	-
Title IV Student Support and Academic Enrichment	84.424A		82,603	-
Education Stabilization Fund - COVID-19	84.425D	S42D21003	2,326	
Education Stabilization Fund - COVID-19	84.425D	S42D21003	71,950	
Education Stabilization Fund - COVID-19	84.425E	S42D21003	2,718,535	
Education Stabilization Fund - COVID-19	84.425E	S42D21003	611,985	
Education Stabilization Fund - COVID-19	84.425E	S42D21003	<u>437,030</u>	
Total for Assistance Listing Number #84.425			<u>3,841,826</u>	-
Total United States Department of Education			<u>5,470,103</u>	-
<u>United States Department of Health and Human Services</u>				
Passed through Louisiana Department of Health				
LDH Safer Smarter Schools	93.323	6 NU5OCK000532-02-07	43,500	-
			<u>43,500</u>	-
TOTAL FEDERAL AWARDS			<u>\$5,992,551</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

(1) General

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Redesign Schools Louisiana under programs of the federal government for the year ended June 30, 2024. The information in this 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 the Redesign Schools Louisiana, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Redesign Schools of Louisiana.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to Redesign Schools Louisiana’s basic financial statements for the year ended June 30, 2024. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

Redesign Schools Louisiana has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Part I. Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting

Material weakness(es) identified? _____yes x no
Significant deficiencies identified? _____yes x none reported

Noncompliance material to financial statements noted? x yes _____no

Federal Awards

Type of auditor's report issued on compliance for major programs: Unmodified

Internal control over major programs

Material weakness(es) identified? _____yes x no
Significant deficiencies identified? _____yes x none reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? _____yes x no

Major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.555	National School Lunch Program
84.010A	Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low risk auditee? x Yes _____No

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Internal Control Findings

There are no findings to be reported under this section.

B. Compliance Findings

2024-001 Late Filing of Financial Statement Audit

CONDITION: Redesign Schools Louisiana (RSL) did not comply with L.A. R.S. 24:513, *Powers and duties of legislative auditor*, by not submitting its audited financial statements to the Louisiana Legislative Auditor's Office within six months of the close of its fiscal year.

CRITERIA: The audited financial statement filing requirements of LA R.S. 24:513, *Power and duties of legislative auditor*.

CAUSE: Due to unforeseen circumstances, RSL's predecessor auditor was unable to complete the current year financial statement audit and resigned from the engagement in October 2024. The untimely resignation of the predecessor auditor created a compressed timeframe for management to engage a new audit firm, complete the audit engagement and submit the audited financial statements by the filing deadline required by LA R.S. 24:513, *Power and duties of legislative auditor*.

EFFECT: RSL was unable to comply with the audited financial statement submission deadline as stipulated by LA R.S. 24:513, *Power and duties of legislative auditor*.

RECOMMENDATION: Management should continue to engage an independent auditor prior to RSL's fiscal year end to ensure that audited financial statements are submitted as required by LA R.S. 24:513, *Power and duties of legislative auditor*.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management will continue to follow its standard operating procedures by engaging an independent auditor prior to the end of its fiscal year and working with its financial services provider to ensure audited financial statements are submitted as required by LA R.S. 24:513, *Power and duties of legislative auditor*.

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

A. Internal Control Findings –

There are no findings to be reported under this section.

B. Compliance Findings –

There are no findings to be reported under this section.

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

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel

C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Directors of Redesign Schools Louisiana
Louisiana Department of Education
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Redesign Schools Louisiana for the fiscal year ended June 30, 2024, and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with the Louisiana Revised Statute 24:514. The management of Redesign Schools Louisiana is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

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

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

There were no exceptions noted.

Class Size Characteristics (Schedule 2)

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

There were no exceptions noted.

Levels 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 expertise, 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.

We noted exceptions in that three individuals' education level and nine individuals' experience level reported to the Department of Education did not agree to the employee's personnel file.

Public 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).

We noted exceptions in that two individuals' salary reported to the Department of Education did not agree to the individual's personnel file.

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

We are required to be independent of Redesign Schools Louisiana, 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 Redesign Schools Louisiana, as required by Louisiana Revised Statute 24:514., and the result of that testing, and not to provide an opinion on control or compliance.

Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
February 28, 2025

REDESIGN SCHOOLS LOUISIANA

Baton Rouge, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)

As of and for the Year Ended June 30, 2024

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

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

Schedule 2 (Formerly Schedule 6) - Class Size Characteristics

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

REDESIGN SCHOOLS LOUISIANA
Baton Rouge, Louisiana
Schedule 1

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2024

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities -

Classroom Teacher Salaries	\$ 987,548	
Other Instructional Staff Activities	75,396	
Instructional Staff Employee Benefits	412,360	
Purchased Professional and Technical Services	35,268	
Instructional Materials and Supplies	149,466	
Instructional Equipment	<u>-</u>	
Total Teacher and Student Interaction Activities		\$ 1,660,038

Other Instructional Activities:

		4,259
Pupil Support Services	334,513	
Less: Equipment for Pupil Support Services	<u>-</u>	
Net Pupil Support Services		334,513
Instructional Staff Services	629,079	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		629,079
School Administration	1,247,334	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>1,247,334</u>

Total General Fund Instructional Expenditures (Total of Column B) \$ 3,875,223

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

Certain Local Revenue Sources

Local Taxation Revenue:

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

Local Earnings on Investment in Real Property:

Earnings from 16th Section 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	<u>-</u>
Total State Revenue in Lieu of Taxes	<u>\$ -</u>

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

REDESIGN SCHOOLS LOUISIANA

Baton Rouge, Louisiana

Schedule 2

Class Size Characteristics

As of October 1, 2023

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	62%	78	38%	48	0%	-	0%	-
Elementary Activity Classes	55%	11	45%	9	0%	-	0%	-
Middle/Jr. High	75%	21	25%	7	0%	-	0%	-
Middle/Jr. High Activity Classes	75%	3	25%	1	0%	-	0%	-
High	0%	-	0%	-	0%	-	0%	-
High Activity Classes	0%	-	0%	-	0%	-	0%	-
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

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

Coversheet

Financial Committee Report

Section:	II. Items scheduled for receipt/information
Item:	C. Financial Committee Report
Purpose:	FYI
Submitted by:	
Related Material:	RSL - Supplemental Report - January 2025 (1).xlsx RSL - Monthly Presentation - January 2025 Finalv2 (1).pptx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](#):

RSL - Supplemental Report - January 2025 (1).xlsx



January 2025 Financials

PREPARED **MAR'25** BY



- **Executive Summary**
- **Key Performance Indicators**
- **Redesign Financial Reports – Lanier**
- **Redesign Financial Reports – Dalton**
- **Cash Flow**
- **Appendix**

Executive Summary

- Currently projecting an operating income of (\$394k) which is \$512k lower than budgeted.
- Enrollment is the most pressing issue at both locations. We had budgeted for 250 students for both Dalton and Lanier and have been underenrolled at each site as of 1/31/25.
- Adjustments to the forecast have been conservative thus far in FY25 and it is likely that we will be able to capture some savings on the expense side by year-end which will reduce the current projected deficit.

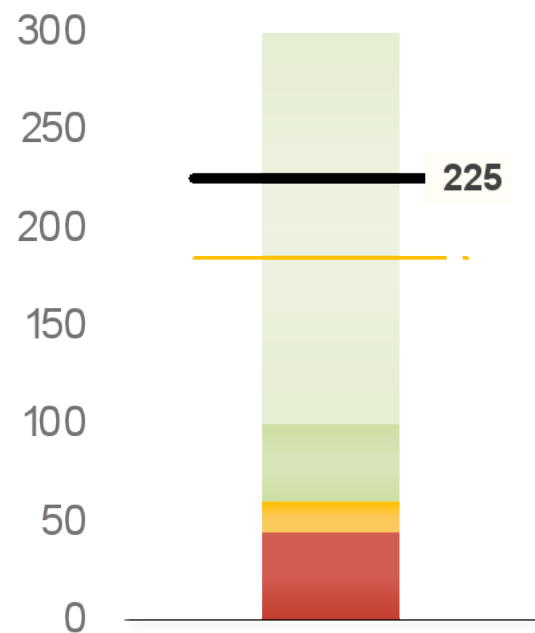
Executive Summary Cont.

- Remaining ESSER funding for both Dalton and Lanier has been drawn down. FY24 Title funding was successfully rolled over to FY25, need to prioritize drawing down the remaining title funds.
- Federal grant funding, which comprises over \$3M of our projected FY25 revenue, will remain unaffected by any federal government policy changes. We're continuing to monitor any potential implications for FY26 but it is expected that Title and IDEA funding will not be impacted.
- We are currently on track to draw down all remaining federal grants by 6/30/25.

Key Performance Indicators

Days of Cash

Cash balance at year-end divided by average daily expenses

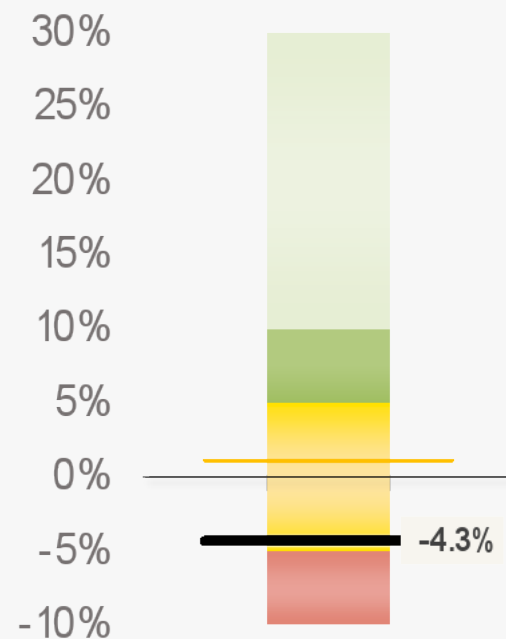


225 DAYS OF CASH AT YEAR'S END

The school will end the year with 225 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

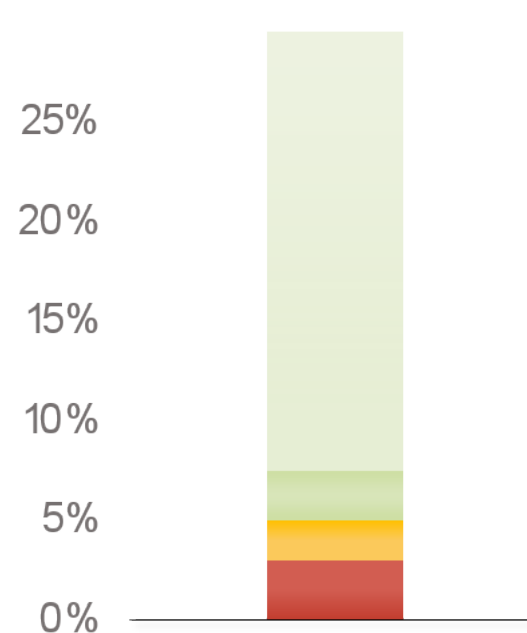


-4.3% GROSS MARGIN

The forecasted net income is -\$394k, which is \$512k below the budget. It yields a -4.3% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses

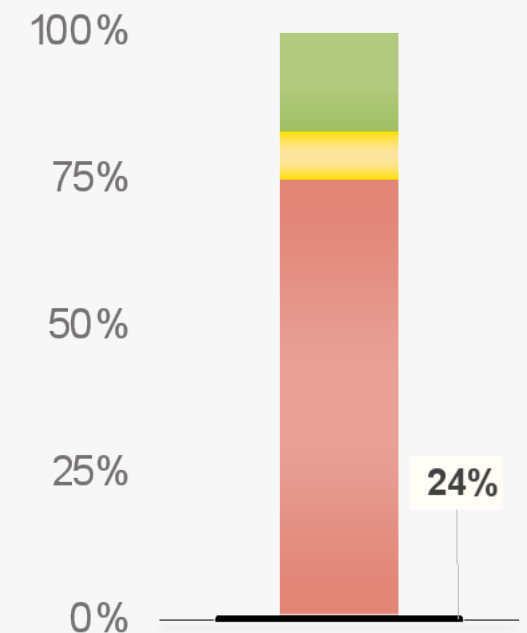


56.20% AT YEAR'S END

The school is projected to end the year with a fund balance of \$5,361,667. Last year's fund balance was \$5,755,795.

Grants Invoiced

Federal grants requested divided by federal grants awarded.



24% GRANTS INVOICED

Drawdowns will occur after the grants are approved.

Redesign Financial Reports – Lanier



Lanier			
	Annual		
	Forecast	Budget	Variance
Revenue			
Total State and Local Revenue	2,908,916	3,541,329	(632,413)
Total Federal Revenue	1,846,083	1,713,983	132,100
Total Revenue	4,754,999	5,255,311	(500,312)
Expenses			
Total Salaries	2,093,942	2,387,055	293,113
Total Employee Benefits	513,746	481,854	(31,892)
Total Purchased Professional And Technical Services	1,005,354	779,382	(225,972)
Total Purchased Property Services	218,273	205,670	(12,603)
Total Other Purchased Services	785,957	819,143	33,186
Total Supplies	401,154	396,250	(4,904)
Total Debt Service And Miscellaneous	28,173	71,000	42,827
Total Expenses	5,046,599	5,140,353	93,754
Net Income	(291,600)	114,958	(406,558)

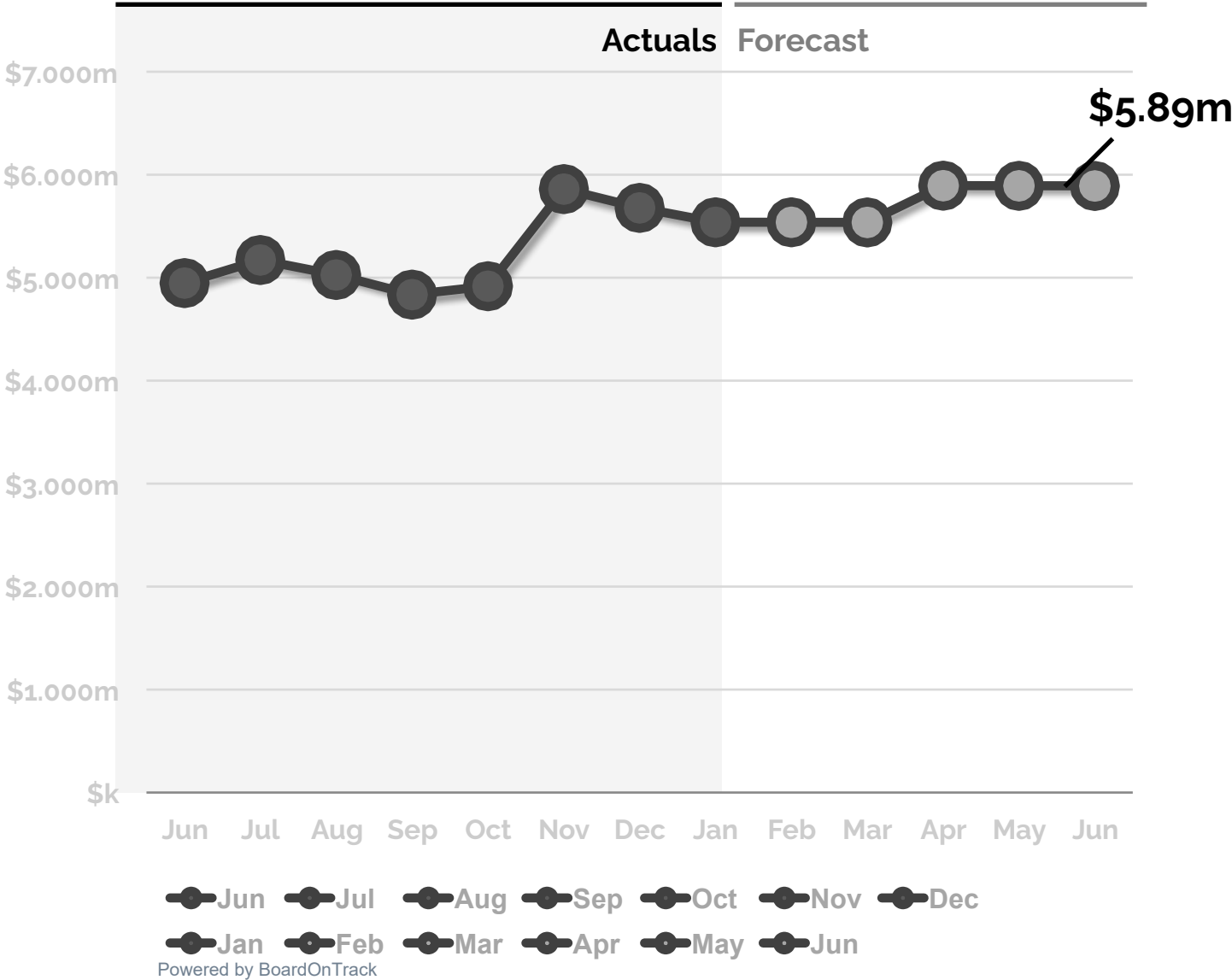
Redesign Financial Reports – Dalton



Dalton			
	Annual		
	Forecast	Budget	Variance
Revenue			
Total State and Local Revenue	2,636,801	3,397,956	(761,155)
Total Federal Revenue	1,754,698	1,708,583	46,115
Total Revenue	4,391,499	5,106,539	(715,040)
Expenses			
Total Salaries	2,021,224	2,335,255	314,031
Total Employee Benefits	483,937	524,318	40,381
Total Purchased Professional And Technical Services	740,337	776,831	36,494
Total Purchased Property Services	173,405	205,670	32,265
Total Other Purchased Services	763,384	794,398	31,014
Total Supplies	401,857	396,250	(5,607)
Total Debt Service And Miscellaneous	37,907	71,000	33,093
Total Expenses	4,493,899	5,103,723	609,824
Net Income	(102,400)	2,816	(105,216)

225 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$5.9m**. This does not include the potential ERTC reimbursement.



	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Forecast</i>	<i>Budget</i>	<i>Variance</i>	<i>Remaining</i>	<i>Rem %</i>
Revenue								
State and Local Revenue	2,953,253	3,967,090	(1,013,837)	5,545,717	6,800,726	(1,255,009)	2,592,464	47%
Federal Revenue	1,521,370	2,569,147	(1,047,777)	3,600,780	3,582,823	17,957	2,079,410	58%
Private Grants and Donations	-	-	-	-	-	-	-	
Earned Fees	-	-	-	-	-	-	-	
Total Revenue	4,474,623	6,536,237	(2,061,614)	9,146,497	10,383,549	(1,237,052)	4,671,874	
Expenses								
Salaries	2,292,253	2,775,740	483,488	3,813,866	4,758,412	944,546	1,521,613	40%
Employee Benefits	542,967	604,526	61,559	1,129,652	1,036,331	(93,322)	586,685	52%
Purchased Professional And Technical Services	765,835	881,833	115,997	1,731,400	1,511,713	(219,687)	965,565	56%
Purchased Property Services	207,255	239,913	32,658	408,014	411,279	3,266	200,758	49%
Other Purchased Services	560,386	941,232	380,846	1,570,803	1,613,541	42,738	1,010,417	64%
Supplies	376,612	462,292	85,679	835,766	792,500	(43,266)	459,153	55%
Debt Service And Miscellaneous	6,643	82,833	76,190	51,124	142,000	90,876	44,481	87%
Total Expenses	4,751,951	5,988,369	1,236,418	9,540,625	10,265,776	725,151	4,788,674	
Net Income	(277,328)	547,868	(825,196)	(394,128)	117,774	(511,901)	(116,799)	
Cash Flow Adjustments	868,666	(98,685)	967,352	1,338,343	(399,156)	1,737,499	469,677	
Change in Cash	591,338	449,183	142,155	944,215	(281,383)	1,225,598	352,877	

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
Assets			
Current Assets			
Cash	4,947,742	5,567,116	5,891,957
Accounts Receivable	1,552,047	46,633	213,705
Total Current Assets	6,499,789	5,613,749	6,105,662
Noncurrent Assets			
Operating Fixed Assets, Net	13,226	0	0
Total Noncurrent Assets	13,226	0	0
Total Assets	6,513,015	5,613,749	6,105,662
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	329,578	29,622	329,578
Accounts Payable	427,642	76,774	414,416
Total Current Liabilities	757,220	106,396	743,994
Total Long-Term Liabilities	0	0	
Total Liabilities	757,220	106,396	743,994
Equity			
Unrestricted Net Assets	4,645,215	5,755,795	5,755,795
Net Income	1,110,580	-276,503	-394,128
Total Equity	5,755,795	5,479,292	5,361,667
Total Liabilities and Equity	6,513,015	5,585,688	6,105,662

Coversheet

Financial Manual Review

Section:	II. Items scheduled for receipt/information
Item:	D. Financial Manual Review
Purpose:	Discuss
Submitted by:	
Related Material:	RSL Fiscal Policies Revised March 2025 -edits.pdf

REDESIGN SCHOOLS LOUISIANA

FISCAL AND OPERATING POLICIES

100 INTERNAL CONTROL POLICIES

101 *Introduction*

Internal control policies provide Redesign Schools Louisiana (School) with the foundation to properly safeguard their assets, implement internal policies, provide compliance with state and federal laws and regulations and produce timely and accurate financial information. Additionally, as publicly supported entities, Redesign Schools Louisiana schools have additional responsibilities to ensure the public's confidence and the integrity of the Schools' activities.

102 *Compliance with Laws*

Redesign Schools Louisiana will follow all the relevant laws and regulations that govern the Charter Schools. Additionally, any Federal Government laws and regulations that relate to grant funding will be adopted as the grant funding is received. The following are specific policies of Redesign Schools Louisiana:

A. Political Contributions

No funds or assets of Redesign Schools Louisiana may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office. The direct or indirect use of any funds or other assets of Redesign Schools Louisiana for political contributions in any form, whether in cash or other property, services, or the use of facilities, is strictly prohibited. Redesign Schools Louisiana also cannot be involved with any committee or other organization that raises funds for political purposes.

The following are examples of prohibited activities:

1. Contributions by an employee that are reimbursed through expense accounts or in other ways.
2. Purchase by the organization of tickets for political fundraising events.
3. Contributions in kind, such as lending employees to political parties or using the Redesign Schools' assets in political campaigns.

B. Record Keeping

To provide an accurate and auditable record of all financial transactions, the Schools' books, records, and accounts are maintained in conformity with generally accepted accounting principles as applicable to Charter Schools.

Further, it is required that:

1. No funds or accounts may be established or maintained for purposes that are not fully and accurately described within the books and records of the Redesign Schools Louisiana.

2. Receipts and disbursements must be fully and accurately described in the books and records.
3. No false entries may be made on the books or records nor any false or misleading reports issued.
4. Payments may be made only to the contracting party and only for the actual services rendered or products delivered. No false or fictitious invoices may be paid.

200 ORGANIZATIONAL CONFLICTS OF INTEREST

Redesign Schools Louisiana will not be operated for the benefit of an affiliated or unaffiliated organization or an individual in his or her own private capacity or individuals related to Redesign Schools or members of its leadership, unless the private benefit is considered merely incidental. This private benefit preclusion will extend to:

- A. Sale or exchange, or leasing, of property between the agencies and an affiliated or unaffiliated organization or a private or related individual.
- B. Lending of money or other extension of credit between an agency and an affiliated or unaffiliated organization or a private or related individual.
- C. Furnishing of goods, services or facilities between the agencies and an affiliated or unaffiliated organization or a private or related individual.
- D. Payment of compensation, unless authorized by the Board of Directors, by the School to an affiliated or unaffiliated organization or a private or related individual.
- E. Transfer to, use by, or for the benefit of a private or related individual of the income or assets of the Schools.

201 *Organizational Conflict Of Interest Or Self-Dealing (Related Parties) - continued*

Thus, Redesign Schools Louisiana is guided by the principle of arms-length standards with all affiliated or unaffiliated organizations or with a private or related individual(s).

202 *Board Of Directors' Authorities*

The Board of Directors shall have the sole authority to approve and will incorporate into its own minutes such matters as (i) change of the School's name, with Authorizer pre-approval (ii) adoption of the annual operating and capital budgets, (iii) selection or termination of the Superintendent (iv) key employees salary and salary changes, (v) incurrence of debt, mortgages or other encumbrances and their covenants and restrictions, within the terms of the charter (vi) investment policies, (vii) depository and investment banks, (viii) purchase or sale of property (ix) opening up or closing checking or savings accounts, and (x) selection of the Schools' certified public accountants and (xi) other activities associated with the operations of the School.

The Board of Directors will meet at least three (3) times per year to ensure that its fiduciary duty is maintained. The Board will review at minimum the following: prior meeting minutes, business items, educational items, and subcommittee reports.

203 *Signature Authorities*

To properly segregate duties within the School, the Superintendent and Director of Policy are the only staff members with signatory authority and are responsible for authorizing all cash transactions. Individual checks greater than \$10,000 will require two signatures prior to check issuance. For cash transactions being disbursed to the Superintendent, an authorization signature is required by the Board Treasurer. If that transaction is greater than 10,000, it will require an authorization signature from the Board Treasurer and an additional Board Member.

204 *Government Access to Records*

The Associate Superintendent or contracted business back-office services provider will provide access to the organization's records to the LDOE and provide supporting records, as requested, in a timely manner.

205 *Security of Financial Data*

- A. The system's accounting data must be backed up daily by the business back-office services provider to ensure the recoverability of financial information in case of hardware failure. The back up will be stored in a fire safe area and properly secured.
- C. All other financial data, unused checks and unclaimed checks will be secured by the Associate Superintendent or the business back office services provider from unauthorized access.

206 *Security of School Documents*

It is the policy of Redesign Schools Louisiana to utilize passwords to safeguard this information and restrict access to accounting and financial data. Only duly authorized individuals will be assigned passwords that allow access.

Accounting/finance staff are expected to keep passwords secret. Administration of passwords shall be performed by responsible individuals independent of fiscal functions.

Each password enables a user to gain access to only those software and documents necessary for each employee's required duties.

It is Redesign School's policy to maintain back-up copies of electronic data files in a secure fire-protected environment. Access to back-up files shall be limited to individuals authorized by the Superintendent.

207 *Use of School Assets*

- A. No employee may use any of the Schools property, equipment, material or supplies for personal use without the prior approval of Superintendent, Associate Superintendent, and/or Principal.

208 *Use Of School Credit Cards*

- A. Redesign Schools Louisiana credit cards should only be issued with the formal approval of the Superintendent and/or Associate Superintendent and with proper justification. The cost/benefit to Redesign Schools Louisiana should be fully reviewed to ensure that no other method is appropriate. All charges must be supported by invoices or travel reports to be eligible for payment by the School.
- B. Monthly credit card statements are reconciled to invoices and travel reports and are reviewed by the Superintendent and/or Associate Superintendent and Back Office Provider prior to approval by appropriate personnel.

300 FINANCIAL MANAGEMENT POLICIES

301 *Basis Of Accounting*

Redesign Schools Louisiana will maintain their accounting records and related financial reports on the accrual basis of accounting.

302 *Accounting Policies*

The accounting policies and financial reporting adopted are consistent with the non-profit requirements of the Financial Accounting Standards Board (FASB), FASB is the recognized standard setting body for establishing non-profit accounting and financial reporting principles.

303 *Basis of Presentation*

The accounts of Redesign Schools Louisiana are organized on a basis of the charter school required elements of the Standardized Account Code Structure or SACS. The operations of the fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, net assets, revenues and expenditures. The School uses the following fund:

Main Fund - This fund is used to account for all financial resources associated with the operation of the schools. In addition, all activities relating to Student Activities should be separately identified and recorded within this fund.

304 *Revenues*

Under the accrual basis of accounting, revenues are recognized when earned.

Redesign may receive revenue from several types of transactions. Revenue from each of these types of transactions is recognized in the financial statements in the following methods:

- A. Grant Income – Monthly accrual, based on incurrence of allowable costs (for cost reimbursement awards) or based on other terms of the award (for fixed price, unit-of-service and other types of awards)
- B. Rental Income – Monthly accrual, based on the terms of each sublease.
- C. Conference training or seminar revenue – Deferred as received, reclassified to income at the close of the month in which the conference, training or seminar is held.
- D. Contributions – Recognized as income when received, unless accompanied by restrictions or conditions.
- E. Immaterial categories of revenue may be recorded on a cash basis of accounting as deemed appropriate by the Superintendent and/or Associate Superintendent.

305 *Expenditures*

Under the accrual basis of accounting, expenses are recognized when services are incurred or goods are received.

306 *Incurred Costs*

For the purpose of invoicing funding sources for allowable costs under cost reimbursement contracts, the term "costs incurred" is defined as follows:

- A. Costs related to items or services incurred directly for the contract and received at the time of the request for reimbursement and is not specifically disallowed by the funding source.

307 *Cash Management*

The primary operating account provides for routine business check disbursements. Cash should be deposited into this account for ordinary transactions unless otherwise restricted by conditions of receipt. Cash transfers are done on an as needed basis to cover cash disbursements. Excess funds may be transferred into short-term investments or interest-bearing cash equivalents upon Board approval to mitigate concentration of risk.

308 *Grants Receivable Aging Criteria*

Accounts receivables outstanding are aged on a thirty, sixty, ninety, and over-ninety day basis.

309 *Grant/Contract Invoicing*

- A. All invoices are submitted to the funding sources by dates specified in the grant or contract agreement.
- B. The invoicing format is that specified by the funding source.

310 *Budgets*

- A. Redesign Schools Louisiana prepare an annual operating budget of revenues and expenses, a cash flow projection, and a capital budget. These budgets and projections are reviewed and approved by the Board of Directors, prior to June 30th each year and modified, as necessary.
- B. Financial statements displaying budget vs. actual results are prepared by the back office services provider and reviewed by the Superintendent, Associate Superintendent, and Board Treasurer and presented to the Board of Directors at each regularly scheduled board meeting.

311 *Insurance And Bonding*

- A. The Schools maintain minimum levels of coverage, as deemed appropriate by the Superintendent and/or Associate Superintendent, for the following policies:
 - 1. General liability
 - 2. Business & personal property (including auto/bus)
 - 3. Computer equipment
 - 4. Workers' compensation
 - 5. Personal injury liability
- B. The School requires proof of adequate insurance coverage from all prospective contractors, as deemed applicable by the Superintendent and/or Associate Superintendent.

312 *Record Retention And Disposal*

- A. Records are maintained for the following indicated minimum periods:

1. Books, records, documents and other supporting evidence including paid, cancelled or voided checks, accounts payable records, vendors' invoices, payroll sheets and registers of salaries and wages, tax withholding statements, employees' timesheets and other public documents are retained for seven years after the original entry date.
- B. All records not supporting government grants or otherwise covered by rules of the Internal Revenue Service are retained for three years from the end of the fiscal year in which the records were originally prepared.

313 *Record Retention And Disposal - continued*

- A. All financial records are maintained in chronological order, organized by fiscal year.
- B. In connection with the disposal of any records, a memorandum of record disposal is prepared by the Associate Superintendent listing the record or the class of records disposed of.

314 *Financial Reporting*

The back-office services provider maintains supporting records in sufficient detail to prepare the School's financial reports, including:

- A. Annually:
 1. Financial statements for audit
 2. Annual budget
- B. Monthly:
 1. Trial balance
 2. Internally generated budget vs. actual financial statements
 3. Billing invoices to funding sources
 4. Updating the cash flow projection
- C. Periodically:
 1. IRS Forms 941 and payroll tax returns and comparable state taxing authority returns
 2. Other reports upon request

315 *Audit*

The Board of Directors collaborates with the Superintendent and Associate Superintendent annually for qualified certified public accounting firm to conduct an audit of the Redesign Charter Schools' financial statements in accordance with *Government Auditing Standards* and the *Governmental Accounting Standards Board*.

The audit reports will be submitted to the granting agency, Louisiana Department of Education, and any other required agencies by state law.

316 *Full Board as it relates to Audit and Finances*

The full Board of Directors acts as an audit/finance review committee. Staff will present an analysis of independent auditor proposals to the Board and make a recommendation for selection of an independent auditor. The Board will select the independent auditor and review the scope and results of the audit. The Board also receives notice of any consequential irregularities and management letter comments that the auditor noted during the engagement. Additionally, the School will develop a corrective action plan to address all relevant weaknesses noted by the auditor. The Board of Directors will also review all financial information of Redesign Schools Louisiana.

400 **POLICIES RELATED TO ASSETS, LIABILITIES AND FUND EQUITY**

401 *ASSETS*

402 *Bank Accounts*

A. Bank accounts for the indicated purpose and limitation(s) have been authorized by the Board of Directors of the Redesign Schools at the indicated Federal Deposit Insurance Corporation (FDIC)-insured bank.

403 *Fixed Assets*

Physical assets acquired with a unit cost equal to greater than \$5,000 are capitalized as fixed assets on the financial statements. Items with unit costs below this threshold shall be expensed in the year purchased.

Fixed assets are depreciated over the estimated useful life using the straight-line method.

Estimated useful lives of capitalized assets shall be determined by the Superintendent and/or Associate Superintendent in conjunction with the department or employee that shall utilize the asset. The following is a list of the estimated useful lives of each category of fixed asset for depreciation purposes:

Buildings	30 years
Building Improvements	20 years

Furniture and Fixtures	up to 10 years
General Office Equipment	7 years
Vehicles	5 years
Computer Hardware or Peripherals	3 – 5 years
Computer Software	2 – 3 years
Leased Assets	life of lease
Leasehold Improvements	remaining of lease term or 5 yrs whichever is greater

For accounting and interim financial reporting purposes, depreciation expense may be recorded on a quarterly basis.

404 LIABILITIES AND FUND EQUITY

405 *Accounts Payable*

Only valid accounts payable transactions based on documented vendor invoices, receiving reports or other approved documentation are recorded as accounts payable.

406 *Accounts Payable Payment Policy*

Vendors and suppliers are paid as their payment terms require, taking advantage of any discounts offered. If cash flow problems exist, payments are made on a greatest dependency/greatest need basis.

407 *Accrued Liabilities*

Salaries, wages earned, and payroll taxes, together with professional fees, rent, and insurance costs incurred, but unpaid, are reflected as a liability when entitlement to payment occurs.

408 *Liability For Compensated Absences*

Compensated absences arise from employees' absences from employment due to Personal Leave. When Redesign Schools expect to pay an employee for such compensated absences, a liability for the estimated probable future payments is accrued if all of the following conditions are met:

- The employee's right to receive compensation for the future absences is attributable to services already performed by the employee.
- The employee's right to receive the compensation for the future absences is accrued.
- It is probable that the compensation will be paid.
- The amount of compensation is reasonably estimable.

Compensated absences not required to be paid upon employee termination is only recorded when paid.

Leaves that do not “vest” with employees (i.e. leave that is not paid to employees if unused at the time of termination of employment) such as Personal Leave, shall not be accrued as a liability of Redesign.

409 *Debt*

- A. When applicable, short-term debt consists of financing expected to be paid within one year of the date of the annual audited financial statements. Long-term debt consists of financing that is not expected to be repaid within one year and is recorded in the Enterprise Fund.
- B. Loan agreements approved by the Board of Directors should be in writing and should specify all applicable terms, including the purpose of the loan, the interest rate, and the repayment schedule.

500 **REVENUE**

501 *Revenue Recognition*

Redesign Schools Louisiana records revenue on the accrual basis of accounting, consistent with generally accepted accounting principles applicable to special purpose governmental units.

600 **FACILITIES**

601 *Disposal Of Property And Equipment*

No item of property or equipment shall be removed from the premises without prior approval from the Associate Superintendent.

Redesign Schools Louisiana has adopted standard disposition procedures for Redesign School’s staff to follow, which include an *Asset Disposal Form*, which identifies the asset, the reason for disposition, and signature of the requester. The form also allows for an identification of the asset’s book value, condition of the asset, and supervisory approval or denial.

When property is retired, the appropriate asset in the fixed asset subsidiary will be adjusted and properly reflected as such.

700 PROCUREMENT POLICIES

701 The Redesign Schools adhere to the following objectives:

1. Procurements will be completely impartial based strictly on the merits of supplier and contractor proposals and applicable related considerations such as delivery, quantity, etc.
2. Make all purchases in the best interests of Redesign Schools and their funding sources.
3. Obtain quality supplies/services needed for delivery at the time and place required.
4. Buy from responsible sources of supply.
5. Obtain maximum value for all expenditures.
6. Deal fairly and impartially with all vendors.
7. Maintain dependable sources of supply.
8. Be above suspicion of unethical behavior at all times; avoid any conflict of interest, related parties or even the appearance of a conflict of interest in the Redesign Schools' supplier relationships.

A. Redesign Schools Louisiana will execute a *Purchase Order* for all purchases except when it is in the best interest of the company to obtain maximum value for its expenditures. When staff receive a lower price from companies that do not accept purchase orders, the decision will be made to utilize either a check or a credit card to make the purchase. Purchases shall be approved by the Associate Superintendent and authorized by the Superintendent for amounts less than \$100,000 per school and by the Board of Directors if greater than \$100,000 per school.

B. All lease agreements will be evidenced by a lease or sublease agreement approved by the Board of Directors and signed by the Superintendent and/or Associate Superintendent. The agreement will identify all the terms and conditions of the lease.

800 TRAVEL POLICIES

801 *Employee Mileage Reimbursement*

- A. All employees are reimbursed either at the standard mileage rate per mile as determined by the Internal Revenue Service for use of their own vehicle for business related travel or at a flat monthly rate which is taxable under IRS rules. In addition, parking fees and tolls paid are reimbursable if supported by invoices.
- B. All employees requesting such mileage reimbursement are required to furnish a *Travel Report* containing the destination of each trip, its purpose and the miles driven,

parking fees and tolls, within one month after the travel date, supported by invoices, if applicable.

- C. If employees request to be reimbursed at a monthly flat fee, the payment will be done through payroll and will be subject to all applicable taxes under the IRS regulations.

900 CONSULTANTS AND CONTRACTORS

901 *Consultant Utilization*

The utilization of all consultants and contract personnel are sufficiently evidenced by:

- A. Details of all agreements (e.g., work requirements, rate of compensation, and nature and amount of other expenses, if any) with the individuals or organizations providing the services and details of actual services performed.
- B. Invoices or billings submitted by consultants, including sufficient detail as to the time expended and nature of the actual services performed.
- C. The use of a contract for educational and administrative services will clearly identify the contractor's performance requirements, including students' academic achievement, contractor's compensation and the Redesign School's rights to educational curricula and intellectual property developed.

902 *Independent Contractors*

The use of consultants is closely monitored so as not to vary from the rules of the Internal Revenue Code. In particular, consultants will:

- A. Not be controlled as to what services will be performed and how these services will be performed. Consultants will not have set hours of work.
- B. Adhere to a precise contract scope of services, recomputed or at least adjusted annually. This consultant agreement will specify the obligation of the consultant to pay his or her own self-employment taxes, if applicable.
- C. Not receive any fringe benefits as such, although their fee may include provision for fringe benefits.
- D. Not be assigned a permanent workstation.
- E. Make their services available or work for a number of firms or persons at the same time.
- F. Will use his or her own stationery or time sheet in billing for services.

PART II

1000 - GENERAL ACCOUNTING PROCEDURES

In this section, procedures are described for the overall accounting system design, General Ledger activity and General Ledger closeout for Redesign Schools.

GENERAL LEDGER ACTIVITY

Control Objective

To ensure that all General Ledger entries are current, accurate and complete.

Major Controls

A. Timeliness of Entries

All entries are made soon after the underlying accounting event to ensure the financial records and reporting is current.

B. Support Documentation

All entries are supported by adequate documentation that clearly shows the justification and authorization for the transaction.

C. Audit Trail

A complete audit trail is maintained by the use of reference codes from source documentation through the books of original entry and General Ledger, to periodic reporting statements.

Procedures

1. Financial data on source documentation is verified against original documents (e.g., invoice, purchase order, etc.) by the appropriate accounting staff before entering into the accounting system.
2. Each entry in the accounting system is reviewed and approved by the Back Office Provider.
3. Provision is made for using recurring General Journal entries for certain transactions, such as recording the monthly portion of prepaid insurance.
4. Non-recurring entries, such as for correcting entries, recording accruals and recording noncash transactions, are prepared as circumstances warrant and on a monthly basis.
5. All entries in the books of original entry (e.g., cash receipts journal and checkbook) are made soon after the accounting event from authorized forms, and are prepared and reviewed by qualified accounting personnel.
6. All General Journal entries are supported by General Journal Vouchers that have supporting documentation attached, and are approved by the back office provider for presentation to the Superintendent and/or Associate Superintendent.

GENERAL LEDGER CLOSE-OUT

Control Objective

To ensure the accuracy of financial records and reports.

Major Controls

A. Trial Balance

Monthly, a trial balance is prepared to ensure the accuracy of the General Ledger account balances.

B. Reconciliation of General Ledger Control Accounts with Subsidiary Ledgers

Reconciliations are prepared on a monthly basis.

Procedures

1. At the end of each month, a trial balance of all General Ledger accounts is prepared by the back office business services provider to the Superintendent and/or Associate Superintendent.
- .
1. Reconciliation between the General Ledger control accounts and the subsidiary ledgers are completed by the back office business services provider.
2. At fiscal year end and after the annual audit, all income and expense accounts are closed out, and the general ledger balances are agreed to the audited financial statements.

1100 - CASH MANAGEMENT PROCEDURES

In this section, procedures are described for cash receipts, cash disbursements and prepaid items.

CASH RECEIPTS

Control Objective

To record cash receipts completely and accurately and to prevent the diversion of cash assets.

Major Controls

A. Cash Flow Projection

Redesign Schools annually prepare and update monthly a cash flow projection for operations and capital cash needs to monitor and ensure adequate cash flow.

B. Cash Receipts Policies

Redesign Schools have internal control systems in place to monitor cash receipts, and ensure that deposits are made in a timely manner. Redesign Schools also use electronic fund transfers to accelerate deposits.

C. Internal Accounting Controls

- (i) Opening of mail assigned to an employee with responsibilities independent of access to files or documents pertaining to accounts receivable or cash accounts.
- (ii) Listed receipts and credits compared to accounts receivable and bank deposits.
- (ii) General Ledger control accounts reconciled with Accounts Receivable Subsidiary Ledger.

D. Bank Collateral Policy

To ensure compliance of bonds pledged by depositories and limitations on amounts of deposits. Deposits of funds in excess of the amount insured by an agency of the federal government (for example FDIC insurance) must be separately collateralized to minimize financial risk. Redesign Louisiana Schools will review on a quarterly basis approved depository accounts to ensure all funds are properly collateralized. Collateral requests will be made with our funding institution to cover any at risk amounts.

Procedures A. General

1. Mail is received by the Office Manager who sorts the checks and forwards them to the Associate Superintendent. Checks may also be received and deposited via electronic transfer.
2. All checks are restrictively endorsed immediately by the Associate Superintendent.
3. The Associate Superintendent prepares deposit slips and forwards them to the back office provider for the preparation of journal entries.
4. A copy of each check to be deposited is made and attached to copy of the deposit slip and filed to provide support for all deposits.
5. The back office business services provider reviews and signs off on journal entries.
6. The back-office business services provider inputs journal entries.
7. The Associate Superintendent makes deposits on a daily or no later than on a weekly basis. If deposits are made other than daily, the deposit should be maintained in a secure area with limited access.
8. Reconciliation of cash receipts to deposit slips and bank statements are performed by the back office business services provider on a monthly basis.

CASH DISBURSEMENTS

Control Objective

To disburse cash for authorized purposes and record cash disbursements completely and accurately.

Major Controls

A. Cash Disbursement Policies

Check preparation and signatures are delayed until the due date, consistent with available discounts if available.

B. Internal Accounting Controls

- (i) Pre-numbered checks and special check protective paper.
- (ii) Match disbursement records against accounts payable/open invoice files.
- (iii) Bank statements reconciled to cash accounts and any outstanding checks verified by either the back office business services provider, if applicable.
- (iv) Supporting documentation canceled to prevent resubmission for payment.
- (v) Detailed comparison of actual vs. budget disbursements on a periodic basis.
- (vi) Separation of duties to the extent possible for an organization the size of the Redesign Schools.

Procedures

1. . An employee who is not involved accounts payable electronic system, will enter new vendors into electronic system.
2. When the transaction is complete and payment is due, a pre-numbered check is prepared by the back office business services provider who attaches all supporting documentation: (e.g. vendor invoice, purchase order, purchase requisition, etc.) and submits the package to the Associate Superintendent in the electronic system.
3. All invoices submitted for approvals for payment to authorized signatories, expense account charged, check number and date of payment.
4. The back-office service provider and Associate Superintendent approve checks, after examining the supporting documentation.
5. After having been approved and authorized, the checks are mailed or electronically transferred to the payee by back office provider.
6. All supporting documents are uploaded into the A/P system by back-office business services provider as back-up for each check.
7. On a periodic basis, cash disbursement records are matched against accounts payable/open invoice files for any discrepancies by back office service provider.
8. Bank statements are reconciled soon after receipt by either the back-offices business services provider and reviewed by the Superintendent.

PETTY CASH FUNDS

Control Objective

To control the use of petty cash funds for valid transactions.

Major Controls

A. Internal Accounting Controls

(i) Redesign Schools do not use Petty Cash Funds. All local emergency school expenditures are done via credit card transactions.

1200 - PAYROLL PROCEDURES

Payroll procedures are organized under six categories: personnel requirements, personnel data, timekeeping, preparation of payroll, payroll payment, and payroll withholdings.

PERSONNEL REQUIREMENTS

Control Objective

To ensure that the Redesign Schools hire only those employees, full or part-time, it absolutely needs and exerts tight control over hiring new employees.

Major Controls

Payroll Policies

Procedures

New Employees

1. Requests for new employees are initiated by the Principal or Leadership staff and compared with the approved annual personnel budget.
2. New employees complete an *Application for Employment*.
3. New employees complete all necessary paperwork for payroll.
4. Employee is fingerprinted. Fingerprint clearance must be received by the Redesign Schools before any employee may start work.

Leave

1. Employees accrue Personal Leave based on personnel policy of the Redesign Schools.
2. Employees are required to provide at least two weeks advanced notice to supervisors for a time off request.

3. Regular part-time employees may not accrue Personal Leave.
4. Employees' accrued Personal Leave time is adjusted monthly to reflect time off earned and taken and reviewed by the Principal or Supervisor.
5. Personal Leave taken is monitored against each employee's available time leave time on an electronic spreadsheet and reviewed by the Principal or Supervisor.
6. Before Personal Leave is paid, a *Request* is to be prepared by the employee, which is reviewed and approved by the Principal or Supervisor.
7. Redesign monitors Personal Leave off using a web-based HR system.
8. A General Journal entry is prepared at year-end to record the accrued time off liability.
9. Unused Personal Leave is based on personnel policy of the Redesign Schools.

PERSONNEL DATA

TIMEKEEPING

Control Objective

To ensure that payment for salaries and wages is made in accordance with documented time records.

Major Controls

A. Timekeeping Policies

Employees are instructed on the proper punching in and out utilizing a biometric clock to assure the accuracy of recorded time to cost objectives.

B. Punches

Labor hours are accurately recorded by the use of biometric clocks and any corrections to timekeeping records, including the appropriate authorizations and approvals, are documented.

C. Internal Accounting Controls

- (i) Reconciliation of hours charged to attendance records.

Procedures

Time and Attendance

1. Hourly and salary employees clock in and out using biometric time clocks daily.

Approval and Collection of Time and Attendance

1. Each employee's punches are reviewed daily by HR and exceptions are reported to the Principal.
2. Authorized time clock punches are processed by the back office business services provider for payment.

Reconciliation of Payroll to Punches

1. Hours shown on time and attendance system are reconciled to the hours recorded on the Payroll Register by the HR department for each payroll period.

PREPARATION OF PAYROLL

Control Objective

To ensure that payment of salaries and wages is accurately calculated.

Major Controls

A. Internal Accounting Controls

- (i) Time records are periodically reconciled with payroll records.

Procedures

1. Employee time sheets are approved by Principals and reviewed by HR. All deviations from pre-programmed parameters are approved by Principal.
2. The total time recorded on the time and attendance system and the number of employees is calculated by the payroll system and reviewed by HR and the back office business services provider.
3. Recorded hours from the time clock punches are communicated to the Payroll Service electronically.
4. The payroll documents received from payroll software (e.g., calculations, payrolls and payroll summaries) are compared with employee punches, pay rates, payroll deductions, compensated absences etc. by the HR department and the back office business services provider.
5. The back office business services provider verifies gross pay and payroll deductions.
6. The total hours and number of employees are compared with the totals in the Payroll Register by the back office business services provider.
7. The Payroll Register is reviewed and approved by Redesign Schools' appropriate personnel.

PAYROLL PAYMENT

Control Objective

To ensure payment for salaries and wages by check, direct deposit, cash or other means is made only to employees entitled to receive payment.

PAYROLL WITHHOLDINGS

Control Objective

To ensure that payment withholdings are correctly reflected and paid to the appropriate third parties.

Major Controls

A. Reconciliation of Payment and Payroll Withholdings

Payroll withholdings are recorded in the appropriate General Ledger control accounts and reconciled with payments made to third parties.

B. Internal Accounting Controls

The contracted payroll provider calculates payroll withholdings, which are reviewed and verified by the back office business services provider.

Procedures

1. The web based payroll software calculates payroll withholdings for each employee. These are summarized by pay period and recorded in General Ledger.
2. Payments for payroll withholdings are reconciled with the amounts recorded in the General Ledger control accounts by the back office business services provider.
3. The back office business services provider reviews the accuracy and timeliness of payments made to third parties for payroll withholdings.
4. Original withholding and benefit election forms, maintained in the employee file, are prepared by employee and reviewed and approved on a periodic basis by the back office business services provider.

1300 DEPRECIATION

Procedures

1. Redesign Schools Louisiana capitalize all fixed assets when acquired, and records the actual cost of these items in accordance with generally accepted accounting principles. Depreciation expense must be recorded in the statement of revenue, expenditures and changes in net assets.

1400 EXPENSE REIMBURSEMENT

Control Objective

To ensure Redesign Schools pays for only authorized business expenses.

Major Controls

A. Travel Policies

Redesign Schools has adopted policies on travel reimbursement.

B. Employee Expense Reimbursement Documentation

Employees are required to obtain and furnish documentation for individual expenses of \$25 or over (provided they are not on a per diem basis) and company credit card purchases.

C. Internal Accounting Controls

- (i) Justification for travel approved by the Superintendent and/or Associate Superintendent.
- (ii) Documentation for incurred employee expenses.
- (iii) Documentation for company credit card purchase.

Expense Advance or Reimbursement

Expense Reimbursement:

1. Soon after traveling, but not exceeding 30 days, an employee who seeks reimbursement for authorized expenses completes a *Travel Report* detailing the expenses incurred, attaching originals of supporting documentation.
2. All credit card purchases are supported by invoices in order to be reimbursed.
2. The employee's *Travel Report* and credit card purchases invoices are reviewed and approved by the Associate Superintendent.

1500 - MANAGEMENT REPORTING PROCEDURES

In this section, procedures are covered for supporting the annual budget, financial reporting and tax compliance.

ANNUAL BUDGET

Control Objective

To effectively support the preparation of the annual budget and its periodic review.

Major Controls

A. Budget Process

The Superintendent and/or Associate Superintendent work with the back-office business services provider and prepare the annual operating and capital budgets (if needed) and cash flow projection, with input from the Redesign School's community. The budgets and projection are submitted to the Board of Directors for approval.

B. Internal Accounting Controls

Redesign Schools staff and back-office service provider ensure accuracy and completeness of the budget and projections.

Procedures

1. In preparation of the annual operating and capital budget and cash flow projection, the back-office business services provider prepares a preliminary budgets and projection for review by the Superintendent and/or Associate Superintendent in consultation with the Redesign Schools' staff.
2. To support budgets and projection estimates, the back-office business services provider prepares current year-to-date financial data with projections of year-end totals.
3. The back-office business services provider, the Superintendent and/or Associate Superintendent review the budgets and projection submitted for completeness and reasonableness.
4. The Board of Directors approves and adopts the final budgets and projection.
5. The adopted budget(s) totals are entered in the General Ledger by the back office business services provider for the new fiscal year, in order to prepare budget to actual reports.

FINANCIAL REPORTING

Control Objective

To ensure the accuracy, completeness and timeliness of financial reporting to support decision-making.

Major Controls

A. Schedule

Monthly reports are prepared based on a schedule.

B. Review and Approval

Financial reports are reviewed for accuracy and completeness.

C. Audit

The annual financial statements of the Redesign Schools are audited by a certified public accounting firm.

Procedures

1. The back office business services provider prepares budget vs. actual financial reports and cash flow projection for the Board of Directors meetings.
2. Redesign Schools submit to an audit of their financial statements by a qualified certified public accounting firm.

3. Redesign Schools shall automatically submit all financial reports required under Education Code Section 47604.33 and 47605(m).

PAYROLL TAX COMPLIANCE

Control Objective

To accurately prepare and file required tax documents on a timely basis.

Procedures

1. Redesign Schools maintain a schedule of required filing due dates for:
 - (i) *IRS Form W-2* - Wage and Tax Statement.
 - (ii) *IRS Form W-3* - Transmittal of Income and Tax Statements.
 - (iii) *IRS Form 940* - Employer's Federal Unemployment (FUTA) Tax Return.
 - (iv) *IRS Form 941* - Employer's Quarterly Federal Tax Return for Federal Income Tax Withheld from Wages and FICA Taxes.
 - (v) *IRS Form 1099 MISC* (also *1099-DIV*, *1099-INT*, *1099-OID*) - U.S. Annual Information Return for Recipients of Miscellaneous Income.
 - (i) Quarterly and annual state(s) unemployment tax return(s).
2. Before submission, all payroll tax documents and the supporting schedules are reviewed and approved by the back office business services provider for accuracy and completeness.

Coversheet

Motion to approve 25-26 School Calendar

Section:	III. Items Scheduled for Action
Item:	B. Motion to approve 25-26 School Calendar
Purpose:	Vote
Submitted by:	
Related Material:	_STUDENT SY25-26 REDESIGN SCHOOLS CALENDAR.pdf

REDESIGN SCHOOLS LOUISIANA 2025-2026 CALENDAR

	FIRST or LAST DAY
	PROFESSIONAL DEVELOPMENT DAY (no students)
	FAMILY CONFERENCES or OPEN HOUSE
	NO SCHOOL - BREAKS
	PROGRESS REPORTS & REPORT CARDS

IMPORTANT DATES

JUL 7-11	TEACHER PD WEEK
JULY 14	MEET AND GREET
JULY 15	FIRST DAY OF SCHOOL FOR STUDENTS
AUG 20	BACK TO SCHOOL NIGHT
AUG 21	PROGRESS REPORTS GO HOME
AUG 22	TEACHER PD DAY
AUG 22-SEP 2	NO SCHOOL - LABOR DAY BREAK
SEPT 5	PROGRESS REPORT
OCT 10	TEACHER PD DAY
OCT 13	NO SCHOOL- INDIGENOUS PEOPLE DAY
OCT 17	END OF TRIMESTER 1- REPORT CARDS
OCT 21-23	PARENT-TEACHER CONFERENCES
OCT 30-31	NO SCHOOL- FALL BREAK
NOV 21	TEACHER PD DAY
NOV 24-28	NO SCHOOL - THANKSGIVING BREAK
DEC 12	PROGRESS REPORTS
DEC 18-JAN 2	NO SCHOOL - WINTER BREAK
JAN 5	TEACHER PD DAY
JAN 6	STUDENTS RETURN
JAN 19	NO SCHOOL - MLK JR. DAY
FEB 12	TEACHER PD DAY
FEB 13 - 20	NO SCHOOL - MARDI GRAS BREAK
FEB 23	END OF TRIMESTER 2- REPORT CARDS
MAR 3 - 5	PARENT-TEACHER CONFERENCES
MAR 16	TEACHER PD DAY
APR 3 - 10	NO SCHOOL - SPRING BREAK
APR 17	PROGRESS REPORT
MAY 21	TEACHER PD DAY
MAY 22 - 29	NO SCHOOL - MEMORIAL DAY BREAK
JUN 4	END OF TRIMESTER/ LAST DAY - STUDENTS
JUN 5	LAST DAY - TEACHERS
JUN 8 - JUL 13	SUMMER BREAK

JULY 2025						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JANUARY 2026						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST 2025						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY 2026						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

SEPTEMBER 2025						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MARCH 2026						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

OCTOBER 2025						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL 2026						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

NOVEMBER 2025						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

MAY 2026						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

DECEMBER 2025						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE 2026						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

REDESIGN SCHOOLS LOUISIANA 2025-2026 CALENDAR

APPENDIX: ESSENTIAL TESTING DATES & INSTRUCTIONAL DAY DATA

2024-2025 Assessment Schedule		Description	Grade Levels
JULY	DRDP	Desired Results Developmental Profile- academic and development assessment	KINDERGARTEN
	DIBELS	Basic Early Literacy Skills	KINDERGARTEN-8TH GRADE
	MAP	Diagnostic of Academic Progress	KINDERGARTEN-8TH GRADE
SEPTEMBER	MAP	Measures of Academic Progress	KINDERGARTEN-8TH GRADE
OCTOBER	TS GOLD	Teaching Strategies- Observation-based assessment	PRE-K
DECEMBER	DIBELS	Basic Early Literacy Skills	KINDERGARTEN-8TH GRADE
	MAP	Measures of Academic Progress	KINDERGARTEN-8TH GRADE
FEBRUARY	TS GOLD	Teaching Strategies- Observation-based assessment	PRE-K
February 10-March 19	ELPT	English Language Proficiency Test for multilingual learners	KINDERGARTEN-8TH GRADE
	LEAP CONNECT	Louisiana Educational Assessment Program for students with significant cognitive disabilities	3RD-8TH GRADE
March	MAP	Measures of Academic Progress	KINDERGARTEN-8TH GRADE
APRIL	DIBELS DYSLEXIA SCREENING	Basic Early Literacy Skills	KINDERGARTEN-8TH GRADE -KINDERGARTEN
April 1-May 15	LEAP 2025	Louisiana Educational Assessment Program	3RD-8TH GRADE
May	TS GOLD	Teaching Strategies- Observation-based assessment	PRE-K

School Hours (Student) 8:00 am – 3:00 pm

Instructional Days: 183

Instructional Minutes per Day: 380 (20 min lunch & 20 min bathroom/transition taken from 420 minutes)

Instructional Minutes per Year: 69,540