

BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA

Annual Financial Statements

June 30, 2021



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Independent Auditor's Report

To the Board of Directors
Bricolage Academy
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Bricolage Academy (the School), which comprise the statements of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinion

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

Other Matters***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of board of directors, and the schedule of compensation, benefits, and other payments to agency head, as required by Louisiana Revised Statute (RS) 24:513 A(3), are presented for the purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Baton Rouge, LA
December 20, 2021

BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Statement of Financial Position
June 30, 2021

Assets

Current Assets

Cash	\$ 3,069,618
Grants and Accounts Receivable, Net	95,598
Prepaid Expenses	<u>68,372</u>

Total Current Assets	<u>3,233,588</u>
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Property and Equipment

Equipment	110,418
Accumulated Depreciation	<u>(36,806)</u>

Property and Equipment, Net	<u>73,612</u>
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Other Assets

Deposits	<u>23,208</u>
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Total Assets	<u><u>\$ 3,330,408</u></u>
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Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 216,158
Accrued Expenses	366,018
Line of Credit	<u>200,000</u>

Total Current Liabilities	<u>782,176</u>
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Net Assets

Without Donor Restrictions	2,529,337
With Donor Restrictions	<u>18,895</u>

Total Net Assets	<u>2,548,232</u>
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Total Liabilities and Net Assets	<u><u>\$ 3,330,408</u></u>
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The accompanying notes are an integral part of these financial statements.

BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Grants, and Other Support			
State and Local Public School Funding			
Minimum Foundation Program	\$ 8,282,457	\$ -	\$ 8,282,457
Public Grants			
Federal Grants	1,016,138	-	1,016,138
Paycheck Protection Program Loan Forgiveness	1,045,800	-	1,045,800
Other State Grants	188,891	-	188,891
Private Grants			
Contributions	75,364	242,557	317,921
Pre-K and After School Care Fees	2,596	-	2,596
Income from Meals	5,132	-	5,132
Interest Income	2,847	-	2,847
Other Revenue	766	-	766
Net Assets Released from Restrictions	376,250	(376,250)	-
Total Revenue, Grants, and Other Support	10,996,241	(133,693)	10,862,548
Expenses			
Instructional and Student Activities	8,425,638	-	8,425,638
Management and General	1,010,555	-	1,010,555
Fundraising	120,911	-	120,911
Total Expenses	9,557,104	-	9,557,104
Change in Net Assets	1,439,137	(133,693)	1,305,444
Net Assets, Beginning of Year	1,090,200	152,588	1,242,788
Net Assets, End of Year	\$ 2,529,337	\$ 18,895	\$ 2,548,232

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

BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Program Services	Supporting Services		
	Instructional and Student Activities	Management and General	Fundraising	Total
Salaries and Benefits	\$ 5,733,775	\$ 395,481	\$ 72,747	\$ 6,202,003
Purchased Services	335,480	399,458	1,875	736,813
Building/Equipment Rental	511,105	17,202	6,013	534,320
Materials and Supplies	228,808	100,315	334	329,457
Transportation	300,963	-	-	300,963
Food Service	282,247	-	-	282,247
Custodial Services	257,636	8,051	2,684	268,371
Utilities	208,844	6,526	2,175	217,545
Dues and Fees	167,543	11,731	17	179,291
Repairs and Maintenance	109,222	10,125	-	119,347
Communications	100,411	3,754	1,877	106,042
Travel	94,896	-	4,772	99,668
Professional Development	78,934	-	-	78,934
Insurance	-	49,258	-	49,258
Bad Debt Expense	-	-	28,417	28,417
Depreciation	15,774	-	-	15,774
Interest	-	8,404	-	8,404
Advertising	-	250	-	250
Total	\$ 8,425,638	\$ 1,010,555	\$ 120,911	\$ 9,557,104

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

BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Statement of Cash Flows
For the Year Ended June 30, 2021

Cash Flows from Operating Activities

Change in Net Assets	\$ 1,305,444
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities	
Depreciation	15,774
Bad Debt Expense (Recovery)	28,417
Paycheck Protection Program Loan Forgiveness	(1,045,800)
(Increase) Decrease in Assets	
Grants and Accounts Receivable	205,269
Prepaid Expenses	34,804
Increase (Decrease) in Liabilities	
Accounts Payable	(37,804)
Accrued Expenses	8,457

Net Cash Provided by Operating Activities	514,561
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Net Increase in Cash	514,561
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Cash, Beginning of Year	2,555,057
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Cash, End of Year	\$ 3,069,618
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Supplemental Disclosure of Cash Flow Information

Cash Paid During the Year for Interest	\$ 8,404
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The accompanying notes are an integral part of these financial statements.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Organization

Bricolage Academy (the School), incorporated in April 2012, is a 501(c)(3) non-profit, educational institution organized to advance educational equity for students from diverse backgrounds.

The Orleans Parish School Board (OPSB) approved the granting of a charter to Bricolage Academy effective November 20, 2012 to operate a Type 1 Charter School as defined in Louisiana Revised Statute (R.S.) 17:3996. Bricolage commenced school operations in August 2013. The School's charter is approved to operate grades kindergarten through twelfth grade. The School amended its charter agreement in March 2017 as to operate as its own Local Educational Agency (LEA) under OPSB. The School's charter was renewed in December 2017 and currently expires on June 30, 2025. As of June 30, 2021, the School operates grades pre-kindergarten through seventh grade.

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

Basis of Net Asset Presentation

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

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

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

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Advertising

Advertising costs, which are included in general and administrative expenses, are expensed as incurred.

Revenues and Support

State and Local Public School Funding

The School's primary source of funding is through the State Public School Fund. The School receives funding per eligible student in attendance on October 1st, payable in monthly installments. The October 1st student count is audited by the Louisiana Department of Education. Adjustments are made in the following year.

Federal and State Grants

Federal and state grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

Private Grants and Contributions

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

Other Income

Revenue from other sources, including student activities and fees, fundraisers, after-care tuition, pre-kindergarten tuition, and student meals are recorded and recognized as revenue in the period in which the School provides the service at the amount that reflects the consideration to which the School expects to be entitled for providing the service or good.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Revenues and Support (Continued)

Contracts vs. Contributions

The School utilizes the guidance in Accounting Standards Update (ASU) 2018-08 in the assessment of whether a revenue is an exchange transaction (contract) or contribution (non-contract) and considers factors including commensurate value received, reciprocity, and donor-imposed conditions. Performance obligations are determined based on the nature of the services provided by the School. Revenue from performance obligations satisfied over time is recognized based on actual time incurred in relation to the total expected period of providing the service, which is deemed to be the school year, which is simultaneous with the fiscal year. The School believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to student activities and fees, after-care tuition, and pre-kindergarten tuition. The School measures the performance obligation throughout the school year. Revenue for performance obligations satisfied at a point in time, which include mainly income from meals and are generally immaterial, are recognized when services are provided. The School determines the transaction price based on standard charges for goods or services provided to students, which are predetermined by management. Fees are generally nonrefundable, and total refunds issued annually are considered negligible.

Promises to Give

Private grants and contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. The School will not recognize a conditional promise to give until the conditions on which the promise depends are substantially met. Grants and contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted grants and contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

Functional Expenses

The costs of providing activities have been summarized on a functional basis in the statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied. When possible, expenses are first allocated by direct identification and then allocated if an expenditure benefits more than one program or function. The expenses that are allocated are allocated on the basis of estimates of time and effort, percent of total labor burden, or on the basis of student count. The expenses that are allocated include salaries and benefits, purchased services, building/equipment rental, materials and supplies, disposal and custodial services, communications and utilities, insurance, and certain dues and fees.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Grants and Accounts Receivable

The grants and accounts receivable are stated at the amount management expects to collect on outstanding balances. The financial statements include an estimate for an allowance for doubtful accounts totaling \$-0- for after-care tuition, pre-kindergarten tuition, student activities, and student meals. Management believes that all grants receivable are collectible.

In-Kind Support

The School records the in-kind value of goods and services contributed to support various activities as support and related expenses.

Cash

During the year, cash may consist of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts credited to the School's bank accounts from donations received from individuals or entities who specified the use of the contribution. At June 30, 2021, there were no restricted cash balances.

Statement of Cash Flows

For purposes of the statement of cash flows, the School considers all investments purchased with an original maturity of three months or less to be cash equivalents. At June 30, 2021, the School had no cash equivalents.

Income Taxes

The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income.

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

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

The School applies a "more-likely-than-not" recognition threshold for all tax uncertainties. This approach only allows the recognition of those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the taxing authorities. The School has reviewed its tax positions and determined there were no outstanding or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reversionary Interest in Funds and Assets

All funds received from the Louisiana Department of Education (LDOE), United States Department of Education (USDOE), or other state or federal agency are funds earned by the School to be used for the purpose for which they were acquired. These agencies, however, have a reversionary interest in these funds, as well as any assets acquired with these funds. Should the charter agreement not be renewed, those funds and assets will transfer to the appropriate agency.

Recent Accounting Pronouncements - Not Yet Adopted

In January 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 is effective for financial statements issued for annual periods beginning after December 15, 2021. Management is currently evaluating the impact of adopting the new revenue standard on its financial statements.

Note 2. Concentrations of Risk

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be recovered. The School periodically maintains cash in bank accounts in excess of insured limits. As of June 30, 2021, the School's bank balances were \$3,069,565. As of June 30, 2021, balances insured by the Federal Deposit Insurance Corporation (FDIC), which covers the total balance of accounts up to \$250,000 per financial institution, totaled approximately \$466,012. The remaining deposits of \$2,603,553 were uninsured. The School has not experienced any losses and does not believe that significant credit risk exists as a result of its cash management practices.

The School received a substantial amount of its revenue through grants awarded by the federal, state, and local governments for the year ended June 30, 2021, which totaled \$10,533,286, or 97% of total revenue.

All students of the School live within Orleans Parish and employees live within the Greater New Orleans area.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 3. Cash

The School's cash (book balances) at June 30, 2021 was \$3,069,618, which are stated at cost and approximate market.

Note 4. Grants and Accounts Receivable

As of June 30, 2021, accounts receivable consisted of the following:

	Accounts Receivable	Allowance	Net
Federal and State Reimbursable Grants	\$ 95,238	\$ -	\$ 95,238
Accounts Receivable	360	-	360
Total Grants and Accounts Receivable	\$ 95,598	\$ -	\$ 95,598

Note 5. Property and Equipment

As of June 30, 2021, property and equipment consisted of playground equipment. Depreciation expense was \$15,774 for the year ended June 30, 2021.

Note 6. Defined Contribution Plan

The School has a 403(b) plan. Full-time employees have the option of enrolling in the School's sponsored 403(b) plan. All employees, 21 years of age and older, are eligible to participate in the plan. Under the terms of the plan, the School may match employee contributions up to 4% of employee compensation. For the year ended June 30, 2021, the School made employer matching contributions to the plan of \$127,042.

Note 7. Accrued Expenses

As of June 30, 2021, accrued expenses primarily consisted of wages, benefits, and withholdings, school facility rent, and facility property insurance.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 8. Line of Credit

The School has a line of credit allowing for borrowings up to \$250,000 maturing February 25, 2022. The line of credit accrues interest monthly at a rate of 1.0% above the Wall Street Journal Prime Rate (3.25% as of June 30, 2021). At June 30, 2021, the balance on the line of credit was \$200,000.

Note 9. Note Payable

On April 28, 2020, the School entered into a U.S. Small Business Association (SBA) Paycheck Protection Program (PPP) loan with Hope Federal Credit Union in the amount of \$1,045,800, at an interest rate of 1.00% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the SBA.

The School's PPP Loan was fully forgiven by the SBA on June 23, 2021. The School has recognized PPP Loan Forgiveness income totaling \$1,045,800 on the statement of activities and changes in net assets for the year ended June 30, 2021.

Note 10. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted by donors for specific programs, purposes, student activities, or to assist specific departments of the School. These restrictions are considered to expire when payments for restricted purposes are made. As of June 30, 2021, none of the net assets with donor restrictions are time-restricted by donors.

A summary of the composition of net assets with donor restrictions at June 30, 2021 is as follows:

Purpose Restriction	Amount
IQI	\$ 4,087
SEL	5,000
Reading Recovery Program	4,959
Fun Run	3,161
STEP	1,688
Total	\$ 18,895

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 10. Net Assets With Donor Restrictions (Continued)

A summary of the composition of net assets released from donor restrictions during the year ended June 30, 2021 is as follows:

Purpose Restriction	Amount
Third through Fifth Grade Expansion	\$ 175,000
Rapid Relief	20,000
Special Education Curriculum	50,000
Intervention Programs	50,000
IQI	30,913
Summer Learning	30,000
Reading Recovery Program	15,000
Personalized Learning / Brico Radio	5,337
Total	\$ 376,250

Note 11. School Operations/Leasehold Interest

The School entered into a lease agreement with John MC School Facility, LLC, a sublessor of the Recovery School District and the Orleans Parish School Board (OPSB), to operate the School. The lease agreement is contingent upon the existence of the charter operating agreement between the School and the OPSB. This lease calls for monthly rent payments and monthly usage fee payments to the OPSB. The monthly usage fee payments are deducted from Minimum Foundation Program (MFP) payments submitted by the OPSB to Bricolage Academy. The usage fee payments include certain property insurance policies and are calculated annually based on the OPSB's Per Pupil Unit Cost Program. The monthly rent payments are partially subsidized by the OPSB. The lease currently expires in August 2023.

During the year ended June 30, 2021, monthly rent due totaled \$111,243, of which \$49,314 was paid by the School and \$61,929 was subsidized by the OPSB. For the year ended June 30, 2021, ten (10) months of rental payments were made at the \$49,314 amount and two (2) months of rental payments were reduced to \$4,595 to account for overpayments and changes in subsidy estimates. As of June 30, 2021, the School has recorded a liability of \$335,577 representing the estimated over-funding received as local MFP funds which were dedicated to this lease agreement. This estimated liability is included in accrued expenses on the statement of financial position.

Rent expense recognized under this lease totaled \$517,577 for the year ended June 30, 2021.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 12. Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the School operates.

While it is unknown how long these conditions will last and what the complete financial effect will be to the School, at this time, the School is experiencing moderate disruptions, including conversions to digital learning options, additional costs related to sanitization and technology supplies, and reductions in enrollment due to alternative school options. The School's concentrations due to significant state and federal funding make it reasonably possible that the School is vulnerable to the risk of a near-term significant impact. Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near-term as a result of these conditions.

Note 13. Liquidity and Availability

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

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

Cash	\$ 3,050,723
Grants and Accounts Receivable, Net	<u>95,598</u>
Total	<u>\$ 3,146,321</u>

Note 14. Employee Union

On May 28, 2021, certain employees of the School voted to organize a union.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 20, 2021, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Schedule of Board of Directors
For the Year Ended June 30, 2021**

Board Members	Compensation
Ms. Yvette Jones, Chair	\$-0-
Dr. Arnel Cosey, PhD, Vice Chair	\$-0-
Mr. H. Merritt Lane, III, Treasurer	\$-0-
Mr. Norman Barnum, Secretary	\$-0-
Ms. Tonya Johnson	\$-0-
Ms. Annie Phillips	\$-0-
Ms. Deborah Elam	\$-0-
Ms. Tiffany Harvill	\$-0-
Mr. Randy Philipson	\$-0-

See independent auditor's report.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officers
For the Year Ended June 30, 2021**

Agency Head

Troave' Profice, CEO (July 1, 2020 through June 30, 2021)

Purpose	Amount
Salary	\$155,041
Benefits - Retirement	\$4,033
Benefits - Insurance	\$4,457
Benefits - FICA	\$10,926
Contract Agreement	\$0
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Cell Phone	\$550
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$182
Meals	\$0

See independent auditor's report.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Schedules of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officers (Continued)
For the Year Ended June 30, 2021**

Agency Head

Antigua Wilbern, Interim CEO (May 16, 2021 through June 30, 2021)

Purpose	Amount
Salary	\$18,934
Benefits - Retirement	\$588
Benefits - Insurance	\$526
Benefits - FICA	\$1,478
Contract Agreement	\$0
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Cell Phone	\$50
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Meals	\$0

See independent auditor's report.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Board of Directors
Bricolage Academy
New Orleans, Louisiana

We have audited, 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, the financial statements of Bricolage Academy (the School), which comprise the statements of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2021.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA
December 20, 2021

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED
BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board of Directors
Bricolage Academy
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Bricolage Academy's (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2021. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA
December 20, 2021

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Pass-Through Entity ID	Federal Expenditures
United States Department of Agriculture			
Passed through the Louisiana Department of Education			
Child Nutrition Cluster:			
National School Breakfast Program	10.553	Not available	\$ 99,760
National School Lunch Program	10.555	Not available	196,610
Total Child Nutrition Cluster			<u>296,370</u>
United States Department of Education			
Passed through the Louisiana Department of Education			
Title I - Grants to Local Educational Agencies	84.010	S010A200018	231,968
Special Education Cluster:			
Special Education - Grants to States (IDEA Part B)	84.027	H027A200033	199,698
Special Education Preschool Grants	84.173	H173A200082	4,189
Total Special Education Cluster *			<u>203,887</u>
Title II - Improving Teacher Quality State Grants	84.367	S367A200017	37,647
Student Support and Academic Enrichment Program	84.424	S424A200019	16,376
COVID-19: Elementary and Secondary School Emergency Relief Fund	84.425C	S425D200003	4,832
COVID-19: Elementary and Secondary School Emergency Relief Fund	84.425D	S425D200003	225,058
Total COVID-19 Educational Stabilization Fund *			<u>229,890</u>
Total			<u><u>\$ 1,016,138</u></u>

This schedule is prepared on the accrual basis of accounting. The School has not elected to use the 10% de minimus indirect cost rate.

* Denotes Major Program.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA**

Notes to Schedule of Expenditures of Federal Awards

Note 1. General

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the Bricolage Academy (the School). The School reporting entity is defined in the notes to the financial statements for the year ended June 30, 2021. All federal awards received directly from federal agencies are included on the schedule as well as federal awards passed through other government agencies.

Note 2. Basis of Accounting

The schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in the notes to the School's basic financial statements for the year ended June 30, 2021. Commodities received, which are non-cash revenue, are valued at prices provided by the U.S. Department of Agriculture. Any received but unused commodities are recorded as deferred revenue until used.

Note 3. Indirect Cost Rate

The School utilized preapproved indirect cost rates as provided by its pass-through agency, the Louisiana Department of Education, for certain federal grant awards during the year ended June 30, 2021, including 84.010A, 84.367A, 84.027A, 84.173A, and 84.425D. Total indirect costs claimed was \$14,374.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

A. Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report | Unmodified |
| 2. Internal control over financial reporting and compliance and other matters: | |
| a. Material weaknesses identified? | None |
| b. Significant deficiencies identified not considered to be material weaknesses? | None |
| c. Noncompliance material to the financial statements noted? | None |

Federal Awards

- | | |
|--|---|
| 3. Internal control over major programs | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 4. Type of auditor's report issued on compliance for each major program | Unmodified |
| 5. Audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) | None |
| 6. Identification of major programs | |
| | 84.027 and 84.173 – Special Education Cluster |
| | 84.425C and 84.425D – COVID-19 Education Stabilization Fund |
| 7. Dollar threshold used to distinguish between Type A and B programs | \$750,000 |
| 8. Auditee qualified as a low-risk auditee under Section 2 CFR 200.520 | No |

B. Financial Statement Findings

None.

C. Federal Awards Findings and Questioned Costs

None.

**BRICOLAGE ACADEMY
NEW ORLEANS, LOUISIANA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2021**

B. Financial Statement Findings

None.

C. Federal Awards Findings and Questioned Costs

None.