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**LYCÉE FRANÇAIS DE LA NOUVELLE-ORLÉANS**

**REPORTS ON INTERNAL CONTROL AND ON  
COMPLIANCE AND OTHER MATTERS**

**JUNE 30, 2021**

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

To the Board of Directors of  
Lycée Français de la Nouvelle-Orléans  
New Orleans, Louisiana

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

We have audited Lycée Français de la Nouvelle-Orléans' (a nonprofit organization) (Lycée) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget Compliance Supplement* that could have a direct and material effect on each of Lycée's major federal programs for the year ended June 30, 2021. Lycée's major federal programs are identified in the summary of auditors' 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Lycée'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 of 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 Lycée'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 Lycée's compliance.

**Opinion on Each Major Federal Program**

In our opinion, Lycée 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 Lycée 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 Lycée'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 Lycée'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-002.

### **The Organization's Response to Findings**

The Organization's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on it.

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.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the consolidated financial statements of Lycée as of and for the year ended June 30, 2021, and have issued our report thereon dated March XX, 2022, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Metairie, Louisiana  
March XX, 2022

**LYCÉE FRANÇAIS DE LA NOUVELLE-ORLÉANS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2021**

**EXHIBIT B**  
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<b>Federal Grantor/Pass-Through Grantor</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Federal Expenditures</b>
<b><u>United States Department Agriculture</u></b>			
Passed through the Louisiana Department of Education:			
Summer Food Service Program for Children	10.559 <sup>1</sup>	Unknown	\$ 477,714
National School Lunch Program	10.555 <sup>1</sup>	Unknown	19,026
Child and Adult Care Food Program	10.558	Unknown	<u>33,367</u>
<b>Total United States Department of Agriculture</b>			<u>530,107</u>
<b><u>United States Department of Education</u></b>			
Passed through the Louisiana Department of Education:			
Title I - Grants to Local Education Agencies	84.010A	28-21-T1-L1	282,813
Direct Student Services - Grants to Local Education Agencies	84.010A	28-21-DSS-L1	<u>7,465</u>
			290,278
Title II - Part A, Teacher & Principal Training & Recruiting	84.367A	28-21-50-L1	19,466
Special Education, IDEA	84.027A <sup>2</sup>	28-21-B1-L1	162,871
Special Education, Preschool Grants	84.173A <sup>2</sup>	28-21-P1-L1	2,892
Education Stabilization Fund - COVID-19			
CARES - GEERF	84.425C	28-20-GERF-L1	48,569
CARES - ESSER Formula	84.425D	28-20-ESRF-L1	157,353
CARES - ESSER Incentive	84.425D	28-20-ESRI-L1	<u>47,026</u>
Total Education Stabilization Fund			252,948
<b>Total United States Department of Education</b>			<u>728,455</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,258,562</u>

<sup>1</sup> Child nutrition cluster - \$496,740

<sup>2</sup> Special education cluster - \$165,763

See the accompanying notes to the schedule of expenditures of federal awards.

LYCÉE FRANÇAIS DE LA NOUVELLE-ORLÉANS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2021

EXHIBIT C  
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1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Lycée Français de la Nouvelle-Orléans (Lycée) under programs of the federal government for the year ended June 30, 2021. 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 Lycée, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Lycée. Lycée's reporting entity is defined in Note 1 to the consolidated financial statements for the year ended June 30, 2021.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to Lycée's consolidated financial statements for the year ended June 30, 2021. Such expenditures are recognized following the cost principles contained in accordance with the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

3. Relationship to Consolidated Financial Statements

Federal revenues of \$1,258,562 are included in the Consolidated Statement of Activities.

4. De Minimis Cost Rate

During the year ended June 30, 2021, Lycée did not elect to use the 10% de minimis cost rate as covered in §200.414 of the Uniform Guidance.

5. Amounts Passed through to Subrecipients

During the year ended June 30, 2021, Lycée did not pass through any federal funding to subrecipients.

LYCÉE FRANÇAIS DE LA NOUVELLE-ORLÉANS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2021

EXHIBIT D  
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(1) Summary of Independent Auditors' Results

*Federal Awards*

Internal controls over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes

Type of auditors' report issued on compliance for major programs: Unmodified opinion

Any audit findings which are required to be reported under the Uniform Guidance? No

Identification of major programs:

*Child Nutrition Cluster:*

10.555 National School Lunch Program  
10.559 Summer Food Service Program for Children

*Education Stabilization Fund (ESF):*

84.425C COVID-19 Governor's Emergency Education Relief Fund (GEERF)  
84:425D COVID-19 ESSERF Incentive  
84:425D COVID-19 ESSERF II Formula

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

Auditee qualified as a low-risk auditee under Section 530 of The Uniform Guidance: No



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2021

EXHIBIT D  
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**(2) Findings and Questioned Costs relating to Federal Awards:**

**2021-002: Equipment and Real Property - Internal Controls**

84.425C Education Stabilization Fund (ESF)

*Questioned Costs: None determined.*

*Criteria:* Internal controls over fixed assets should be in place to ensure proper accounting and financial reporting of these items as well as the safeguarding of those assets for unauthorized use or disposition. The property control system shall include an annual inventory and evaluation of all fixed assets with a value of \$5,000 or more.

*Universe/Population:* n/a

*Condition:* The current accounting procedures over fixed assets are not being implemented by the Organization's personnel. An annual physical inventory count at the building level was not performed in accordance with established policy as noted in the above criteria.

*Cause:* Due to turnover in the Organization the annual inventory count was not performed.

*Effect:* Without proper tracking, equipment acquired under Federal awards may have the potential for unauthorized use or disposition.

*Recommendation:* The Organization should consider providing additional training to IT personnel and remind them of the importance of established procedures and the implementation of those procedures to ensure proper internal controls to avoid misappropriation of assets acquired under Federal awards.

*View of Responsible Official:*

**(3) No Schedule of Prior Year Findings and Questioned Costs is presented as this is the first year a single audit has been required.**