



Pelican Educational Foundation, Inc. and Affiliate

COMBINED FINANCIAL STATEMENTS

June 30, 2025 and 2024



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REPORT





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INDEPENDENT AUDITOR’S REPORT

Board of Directors
Pelican Educational Foundation, Inc. and Affiliate
Baton Rouge, Louisiana

Opinion

We have audited the accompanying combined financial statements of Pelican Educational Foundation, Inc. and Affiliate (the Foundation) (a nonprofit organization) (d/b/a Kenilworth Science & Technology Charter School), which comprise the combined statements of financial position as of June 30, 2025 and 2024, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Foundation as of June 30, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial

statements as a whole. 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are also not a required part of the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

The accompanying combining statement of financial position and combining statement of activities, which are the responsibility of management, are presented for purposes of additional analysis and are also not a required part of the combined financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the combined financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

The accompanying combining statement of financial position and combining statement of activities, for the year ended June 30, 2025, do not include right-of-use lease assets and lease liabilities for material related-party leases that fully eliminate upon combination. Management has informed us that they have not determined the effects of not including related-party leases in the combining information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2025, on our consideration of the Foundation'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 Foundation'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 Foundation's internal control over financial reporting and compliance.

Carr, Rigg & Ingram, L.L.C.

Metairie, Louisiana
December 26, 2025



FINANCIAL STATEMENTS



**Pelican Educational Foundation, Inc. and Affiliate
Combined Statements of Financial Position**

<i>June 30,</i>	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ 4,316,636	\$ 4,444,020
Cash restricted for student activities	43,939	37,288
Grants receivable	186,575	239,726
Prepaid expenses and other assets, current	140,283	183,709
Total current assets	4,687,433	4,904,743
Non-current assets		
Operating lease right-of-use assets, net	196,109	259,918
Property and equipment, net	22,747,424	23,880,125
Total non-current assets	22,943,533	24,140,043
Total assets	\$ 27,630,966	\$ 29,044,786
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 47,394	\$ 110,793
Accrued expenses	677,401	745,606
Current portion of operating lease liabilities	62,932	61,639
Short term portion of bond payable	388,000	309,000
Total current liabilities	1,175,727	1,227,038
Long-term liabilities		
Operating lease liabilities, less current portion	133,177	198,279
Bond payable, net	22,386,620	22,744,745
Total long-term liabilities	22,519,797	22,943,024
Total liabilities	23,695,524	24,170,062
Net assets		
Without donor restrictions	3,891,503	4,837,436
With donor restrictions	43,939	37,288
Total net assets	3,935,442	4,874,724
Total liabilities and net assets	\$ 27,630,966	\$ 29,044,786

The accompanying notes are an integral part of this combined financial statement.

**Pelican Educational Foundation, Inc. and Affiliate
Combined Statements of Activities**

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2025 Total
Revenue and support			
MFP state	\$ 3,276,437	\$ -	\$ 3,276,437
MFP local	6,722,269	-	6,722,269
Federal grants	1,475,664	-	1,475,664
State grants	290,650	-	290,650
Contributions and donations	30,588	-	30,588
Miscellaneous	209,089	6,651	215,740
Net assets released from restrictions	-	-	-
Total revenue and support	12,004,697	6,651	12,011,348
Expenses			
Program services:			
Instructional	9,349,337	-	9,349,337
Support services:			
Management and general support	3,601,293	-	3,601,293
Total expenses	12,950,630	-	12,950,630
Change in net assets	(945,933)	6,651	(939,282)
Net assets at beginning of year	4,837,436	37,288	4,874,724
Net assets at end of year	\$ 3,891,503	\$ 43,939	\$ 3,935,442

The accompanying notes are an integral part of this combined financial statement.

**Pelican Educational Foundation, Inc. and Affiliate
Combined Statements of Activities**

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2024 Total
Revenue and support			
MFP state	\$ 3,719,256	\$ -	\$ 3,719,256
MFP local	6,581,833	-	6,581,833
Federal grants	1,814,939	-	1,814,939
State grants	94,672	-	94,672
Contributions and donations	-	1,041	1,041
Miscellaneous	2,398,456	460	2,398,916
Net assets released from restrictions	116,549	(116,549)	-
Total revenue and support	14,725,705	(115,048)	14,610,657
Expenses			
Program services:			
Instructional	8,923,940	-	8,923,940
Support services:			
Management and general support	4,460,635	-	4,460,635
Total expenses	13,384,575	-	13,384,575
Change in net assets	1,341,130	(115,048)	1,226,082
Net assets at beginning of year	3,496,306	152,336	3,648,642
Net assets at end of year	\$ 4,837,436	\$ 37,288	\$ 4,874,724

The accompanying notes are an integral part of this combined financial statement.

**Pelican Educational Foundation, Inc. and Affiliate
Combined Statements of Functional Expenses**

<i>For the year ended June 30,</i>	Program	Support	
	Instructional	Management and general	2025
Salaries and benefits	\$ 5,394,443	\$ 963,018	\$ 6,357,461
Purchased professional services	215,496	1,091,275	1,306,771
Student transportation services	959,638	-	959,638
Materials and supplies	223,171	8,438	231,609
Food service management	649,422	-	649,422
Depreciation and amortization	1,164,429	61,458	1,225,887
Equipment	-	117,660	117,660
Energy	85,948	4,536	90,484
Communications	-	91,373	91,373
Dues and fees	24,248	-	24,248
Repairs and maintenance	104,619	5,522	110,141
Advertising	-	64,261	64,261
Insurance	88,261	4,658	92,919
Cleaning services	256,378	13,531	269,909
Books and periodicals	171,612	-	171,612
Interest	-	1,165,676	1,165,676
Utility services	11,672	616	12,288
Travel	-	9,271	9,271
Total	\$ 9,349,337	\$ 3,601,293	\$ 12,950,630

The accompanying notes are an integral part of this combined financial statement.

**Pelican Educational Foundation, Inc. and Affiliate
Combined Statements of Functional Expenses**

<i>For the year ended June 30,</i>	Program	Support	
	Instructional	Management and general	2024
Salaries and benefits	\$ 5,156,162	\$ 1,030,639	\$ 6,186,801
Purchased professional services	275,209	1,157,162	1,432,371
Student transportation services	967,731	-	967,731
Materials and supplies	274,972	127,640	402,612
Food service management	707,948	-	707,948
Depreciation and amortization	861,023	45,583	906,606
Equipment	-	335,962	335,962
Energy	66,034	3,485	69,519
Communications	-	111,667	111,667
Dues and fees	25,008	-	25,008
Repairs and maintenance	119,810	6,323	126,133
Advertising	-	67,820	67,820
Insurance	59,444	3,137	62,581
Cleaning services	174,665	9,219	183,884
Books and periodicals	223,213	-	223,213
Interest	-	1,546,664	1,546,664
Utility services	12,721	671	13,392
Travel	-	14,663	14,663
Total expenses	\$ 8,923,940	\$ 4,460,635	\$ 13,384,575

The accompanying notes are an integral part of this combined financial statement.

Pelican Educational Foundation, Inc. and Affiliate
Combined Statements of Cash Flows

<i>For the year ended June 30,</i>	2025	2024
Operating Activities		
Change in net assets	\$ (939,282)	\$ 1,226,082
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,225,887	906,606
Amortization of right-of-use assets	63,809	60,368
Gain on termination of finance lease	-	(675,403)
Changes in operating assets and liabilities:		
Grants receivable	53,151	442,257
Prepaid expenses and other assets	43,426	40,486
Accounts payable	(63,399)	(42,681)
Accrued expenses	(68,205)	257,217
Operating lease liabilities	(63,809)	(60,368)
Net cash provided by (used in) operating activities	251,578	2,154,564
Investing Activities		
Purchase of property and equipment	(63,311)	(23,908,248)
Net cash provided by (used in) investing activities	(63,311)	(23,908,248)
Financing Activities		
Principal payments on finance lease liabilities	-	(130,455)
Proceeds from issuance of bonds	-	23,053,745
Payments on bonds payable	(309,000)	-
Net cash provided by (used in) financing activities	(309,000)	22,923,290
Net change in cash, cash equivalents, and restricted cash	(120,733)	1,169,606
Cash, cash equivalents, and restricted cash at beginning of year	4,481,308	3,311,702
Cash, cash equivalents, and restricted cash at end of year	\$ 4,360,575	\$ 4,481,308
Reconciliation to Statement of Financial Position		
Cash and cash equivalents	\$ 4,316,636	\$ 4,444,020
Restricted cash	43,939	37,288
Cash, cash equivalents, and restricted cash at end of year	\$ 4,360,575	\$ 4,481,308
Schedule of NonCash Investing and Financing Transactions		
Lease liabilities arising from obtaining right-of-use assets:		
Operating Leases	\$ -	\$ 320,286
Schedule of Certain Cash Flow Information		
Cash paid for interest	\$ 1,072,097	\$ 1,546,664

The accompanying notes are an integral part of this combined financial statement.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

Pelican Educational Foundation, Inc.

Pelican Educational Foundation, Inc. (the School) (a nonprofit organization) (d/b/a Kenilworth Science & Technology Charter School) was created as a non-profit corporation under the laws of the State of Louisiana on November 4, 2005. On March 12, 2009, the Board of Elementary and Secondary Education approved the School's application to transform Kenilworth Middle, a consistently failing public school in East Baton Rouge Parish, into a high-performing college-preparatory science and technology oriented charter school serving grades 6 through 8. Kenilworth Science & Technology Charter School began its first year of school on August 7, 2009.

The School operates under the direction of a seven member board of directors. The board of directors is responsible for carrying out the provisions of the contract which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers. The board of directors controls the School's instructional/support facility staffed by approximately 80 personnel who provide services to approximately 750 students.

The State Board of Elementary and Secondary Education (BESE) granted the School a Type 5 charter to operate Pelican Educational Foundation, Inc. in March 2009. Effective July 1, 2019, a new charter was issued by the Louisiana Department of Education, extending the School's Type 5 charter through June 2022. Effective July 1, 2022, the Foundation's Type 5 charter was renewed through June 30, 2025.

The State Board of Elementary and Secondary Education (BESE) granted the School a Type 2 charter to operate Pelican Educational Foundation, Inc. in January 2022 for the 2022-2023 school year, which in part, allows for the expansion to include grades K-8. Effective July 1, 2023, a new charter was issued by the Louisiana Department of Education, initiation the School's Type 2 charter through June 2028.

Friends of Pelican Educational Foundation, Inc.

In May 2022, Friends of Pelican Educational Foundation, Inc., (the Friends of Pelican), a Louisiana nonprofit corporation, was established. It is organized exclusively for the benefit and support of Pelican Educational Foundation, Inc., a Louisiana nonprofit corporation, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). The Friends of Pelican is authorized to engage in any lawful activity for which corporations may be formed under the Louisiana Nonprofit Corporation Law, subject to the restriction that the corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Code Section 501(c)(3) or by a corporation the contributions to which are deductible under Code Section 170. As such, the Friends of Pelican is considered a related party of the School.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION (CONTINUED)

The Foundation's program services consist of the following:

Instructional – The Foundation provides educational services to students in East Baton Rouge Parish for grades K-8 and a program for students with high-performing college-preparatory science and technology needs.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying combined financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Principles of Combination

The combined financial statements include accounts of Pelican Educational Foundation, Inc. and Friends of Pelican Educational Foundation, Inc, collectively referred to as the Foundation. All material intercompany account balances and transactions have been eliminated.

Use of Estimates

The preparation of U.S. GAAP combined financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to useful lives of assets, allocation of functional expenses, and calculation of lease amortization.

Cash and Cash Equivalents, Cash Restricted for Student Activities

Cash consists of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts received from individual donors who state the specific use or cash collected for student activities.

For the purposes of the combined statements of cash flows, the Foundation considers all unrestricted funds and highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Receivable

Grants receivable represent amounts owed to the Foundation which are expected to be collected within twelve months.

Property and Equipment

Property and equipment are capitalized at cost and updated for additions and retirements during the year. The Foundation maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. All reported property and equipment, except land, is depreciated. Depreciation is computed using the straight-line method (the lesser of management's estimated useful life of a capitalized asset, the remaining life of the Foundation's charter, or the remaining life of the building lease, if the capitalized asset would stay with the building if the Foundation vacated).

Assets acquired with federal grant funds are owned by the Foundation while used in the purpose for which it was purchased. The Department of Education, however, has a reversionary interest in these assets. Should the charter not be renewed, title in any assets purchased with those funds will transfer to the appropriate agency.

Leases

The Foundation leases office space and equipment. The Foundation determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities in the combined statements of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the combined statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Foundation uses a risk-free rate or incremental borrowing rate based on the information available at the commencement date of a lease in determining the present value of its lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Foundation reviews long-lived assets, consisting of improvements, furniture and fixtures, and office and classroom equipment for impairment and determines whether an event or change in facts and circumstances indicates that their carrying amount may not be recoverable. The Foundation determines recoverability of assets by comparing the carrying value of the asset to the net future undiscounted cash flows that the asset is expected to generate. The impairment recognized is the amount by which the carrying amount exceeds the fair market value of the asset. There were no asset impairments recorded during 2025 or 2024.

Net Assets

The Foundation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the combined financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

A significant portion of the Foundation's grants and contracts are from government agencies. The benefits received by the public as a result of the assets transferred are not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

The Foundation recognizes MFP, donations, and contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until the conditions on which they depend have been substantially met. MFP, donations, and contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

A portion of the Foundation's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the combined statements of financial position.

Special event and fundraising income are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied, or when performance obligations are met. There was no special event or fundraising income during the fiscal years ended June 30, 2025 and 2024.

The Foundation recognizes contributed nonfinancial assets within revenue, including contributions of food commodities. Unless otherwise noted, contributed nonfinancial assets do not have donor-imposed restrictions.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. There were no donated assets for the years ended June 30, 2025 and 2024.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the combined financial statements since the recognition criteria were not met. There were no donated services that met the criteria for recognition for the years ended June 30, 2025 and 2024.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

Any costs related to program administration is functionally classified as supporting service expenses. Any costs related to activities that constitute direct conduct or direct supervision of program service are program expenses. The combined financial statements report certain categories of expenses that are attributable to more than one program or supporting function of the Foundation.

The costs of providing the program and other activities have been summarized on a functional basis in the combined statements of activities and combined statements of functional expenses. The majority of expense are allocated based on actual time and effort. Energy, utility services, insurance, repairs and maintenance, and depreciation expenses have been allocated based on square footage.

Advertising

The Foundation uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended June 30, 2025 and 2024, advertising costs totaled \$64,261 and \$67,820, respectively.

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Foundation is exempt from taxes on income other than unrelated business income. Unrelated business income results from rent, administration of self-insurance activities, and commissions. There was no unrelated business income for the years ended June 30, 2025 and 2024.

The Foundation utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of FASB ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the combined financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

As of June 30, 2025 and 2024, the Foundation has no uncertain tax positions that qualify for recognition or disclosure in the combined financial statements.

Reclassifications

A reclassification has been made in the presentation of the prior year net assets with and without donor restrictions for amounts whose restrictions had been met as of June 30, 2024.

Pelican Educational Foundation, Inc. and Affiliate
Notes to Combined Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through the date that the combined financial statements were available to be issued, December 26, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these combined financial statements.

Note 3: LIQUIDITY AND FINANCIAL AVAILABILITY OF RESOURCES

The Foundation maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Foundation's expenditures come due. The following reflects the Foundation's financial assets as of June 30, 2025, reduced by amounts not available for general use within one year of June 30, 2025 because of contractual or donor-imposed restriction.

<i>June 30,</i>	2025	2024
Total assets at year end	\$ 27,630,966	\$ 29,044,786
Less non-financial assets		
Prepaid expenses and other assets	(140,283)	(183,709)
Operating lease right-of-use assets, net	(196,109)	(259,918)
Property and equipment, net	(22,747,424)	(23,880,125)
Financial assets at year-end	4,547,150	4,721,034
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	(43,939)	(37,288)
Financial assets available to meet cash needs for general expenditures within one year	\$ 4,503,211	\$ 4,683,746

The Foundation is principally supported by amounts collected per student for the services it provides and federal grants. The goal of the Foundation is to maintain available financial assets to meet its next 30 days of operating expenses of approximately \$1,077,000.

Note 4: CASH EQUIVALENTS - LAMP

The Foundation holds cash equivalents in LAMP. This pool is administered by a non-profit corporation, Louisiana Asset Management Pool, Inc., which was organized under the laws of the State of Louisiana and is not required to be a registered investment company under the Investment Company Act of 1940; however, its policies are similar to those established by Rule 2a-7, which governs registered money market funds.

Pelican Educational Foundation, Inc. and Affiliate
Notes to Combined Financial Statements

Note 4: CASH EQUIVALENTS – LAMP (CONTINUED)

The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments and cash equivalent options. LAMP is rated AAAM by Standard & Poor's. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP's balances are stated at fair value based on quoted market values. The fair values of the assets are determined on a weekly basis to monitor any variances between amortized costs and fair values. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

As of June 30, 2025 and 2024, the Foundation has cash equivalents in LAMP totaling \$3,858,478 and \$3,089,657, respectively.

Note 5: GRANTS RECEIVABLE

Grants receivable are deemed to be fully collectible by management and were comprised of the following as of June 30, 2025 and 2024:

	2025	2024
Title I – School Improvement Grant	\$ 115,810	\$ 146,075
IDEA – Part B	27,603	-
New Schools Baton Rouge	25,000	-
REAL	-	56,000
School Food Service	12,823	14,734
Other grants	5,339	22,917
Total grants receivable	\$ 186,575	\$ 239,726

Note 6: PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets as of June 30, 2025 and 2024, consisted of the following:

	2025	2024
Prepayments on purchased property and equipment	\$ 127,992	\$ 171,418
Deposit on building lease	12,291	12,291
Total prepaid expenses and other assets	\$ 140,283	\$ 183,709

Pelican Educational Foundation, Inc. and Affiliate
Notes to Combined Financial Statements

Note 7: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2025 and 2024, consisted of the following:

	Estimated Useful Lives (in years)	2025	2024
Building and improvements	10-30	\$ 23,053,745	\$ 23,053,745
Furniture and fixtures	5-10	990,173	927,128
Less: accumulated depreciation		(1,296,494)	(100,748)
Property and equipment, net		\$ 22,747,424	\$ 23,880,125

Depreciation expense for the years ended June 30, 2025 and 2024 totaled \$1,196,012 and \$906,606, respectively.

Note 8: LEASES

Building Lease

In July 2022, the Foundation (Tenant) executed an agreement with Building Hope Siegen Lane, Inc. (Building Hope or Landlord) to lease a yet-to-be-constructed building to house a public elementary school facility (the property). The lease began on the later of substantial completion or July 1, 2023 (the commencement date) and expires on the 25th anniversary of the commencement date. There are two five (5) year renewal options. Base rent was due monthly and was determined at the commencement date, based on actual costs to complete the construction.

As per the agreement, the Tenant was responsible for all repairs and maintenance and any related taxes of the building as of the commencement date. The Tenant maintained the first right of refusal to purchase the property if, at any time, the Landlord received an offer for the property. The Tenant also had the option to purchase the property at any time during the lease at the greater of fair market value or 105% of project cost plus any outstanding deferred rent.

The lease between the Foundation and Building Hope commenced August 10, 2023. Interest expense related to the lease was \$1,546,664 for the year ended June 30, 2024.

On June 20, 2024, the Foundation's lease agreement with Building Hope Siegen Lane, Inc was terminated. Friends of Pelican Educational Foundation, Inc. purchased the School building located on Siegen Lane on June 20, 2024. As a result of the transaction, the Foundation recognized a gain on the lease termination of \$675,403. The gain is recorded as a component of miscellaneous revenue and support for the year ended June 30, 2024.

**Pelican Educational Foundation, Inc. and Affiliate
Notes to Combined Financial Statements**

Note 8: LEASES (CONTINUED)

Other Leases

During the year ended June 30, 2023, the Foundation entered into an operating lease for office equipment for 48 months, with a related monthly expense of approximately \$95. This lease was terminated as of June 30, 2025. The Foundation also has three operating leases for printers, having remaining lease terms of 36 months and each lease having monthly payments of \$1,923.

Operating lease costs for the years ended June 30, 2025 and 2024 consists of \$61,638 and \$60,368, respectively. As of June 30, 2025 and 2024, the weighted average remaining lease terms is 3 years and the weighted average discount rate is 3.76%.

Future minimum lease payments under non-cancellable leases as of June 30, 2025, were as follows:

2026	\$	69,228
2027		69,228
2028		69,228
Total future minimum lease payments		207,684
Less imputed interest		(11,575)
Present value of lease liabilities	\$	196,109

Note 9: BOND PAYABLE

Friends of Pelican Educational Foundation, Inc entered into a bond payable with a financial institution on June 20, 2024, in order to purchase the School building located on Siegen Lane. The debt is separated into 2 bonds with an interest rate of 4.75%. The bond agreements have maturity dates of July 1, 2054.

Pelican Educational Foundation, Inc. and Affiliate
Notes to Combined Financial Statements

Note 9: BOND PAYABLE (CONTINUED)

Bonds payable consists of the following:

<i>June 30,</i>	2025	2024
Louisiana Local Government Environmental Facilities and Community Development Authority Series 2023A Revenue Bond, monthly payment of \$31,000 including interest of 4.75% per annum, maturity of July 1, 2054	\$ 23,641,000	\$ 23,674,000
Louisiana Local Government Environmental Facilities and Community Development Authority Series 2023B Revenue Bond, monthly payment of \$31,000 including interest of 4.75% per annum, maturity of July 1, 2054, paid in full as of June 30, 2025	-	276,000
Bonds payable	23,641,000	23,950,000
Less current portion	(388,000)	(309,000)
Less debt issuance costs	(866,380)	(896,255)
Bonds payable, net	\$ 22,386,620	\$ 22,744,745

Interest expense related to the bond agreement was \$1,165,676 and \$- for the years ended June 30, 2025 and 2024.

Maturities of bonds payable subsequent to June 30, 2025 consists of the following:

<i>For the year ending June 30,</i>	
2026	\$ 388,000
2027	405,000
2028	425,000
2029	445,000
2030	467,000
Thereafter	21,511,000
Total	\$ 23,641,000

Pelican Educational Foundation, Inc. and Affiliate
Notes to Combined Financial Statements

Note 10: NET ASSETS

When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the combined statements of activities as net assets released from restriction.

Net assets with donor restrictions at June 30, 2025 and 2024 consisted of the following:

	2025	2024
Purpose restricted:		
Student activities	\$ 43,939	\$ 37,288
Total net assets with donor restrictions	\$ 43,939	\$ 37,288

A summary of the release of donor restrictions consists of the following:

	2025	2024
Purpose restricted:		
Child Nutrition Program	\$ -	\$ 106,458
Student activities	-	10,091
Total net assets released from donor restrictions	\$ -	\$ 116,549

Note 11: CONTINGENCIES

The continuation of the Foundation is contingent upon legislative appropriation or allocation of funds necessary to fulfill the requirements of the charter contract with the Board of Elementary and Secondary Education. If the legislature fails to appropriate sufficient monies to provide for the continuation of the charter contract, or if such appropriation is reduced by veto of the governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the charter contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

The Foundation maintains its cash balances at a financial institution located in Baton Rouge, Louisiana. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. As of June 30, 2025 and 2024 the Foundation's balances exceeded the FDIC insurance by \$324,482 and \$1,221,113, respectively. The under-insured portion is secured by pledged collateral. Management has not experienced any losses in such accounts and does not believe the Foundation is exposed to significant risk.

Pelican Educational Foundation, Inc. and Affiliate Notes to Combined Financial Statements

Note 12: CONCENTRATIONS

For the years ended June 30, 2025 and 2024, the Foundation received approximately 56% and 45%, respectively, of its total revenue from local public school funds, approximately 27% and 25%, respectively, of its total revenue from state public school funds, and approximately 12%, each year, of its total revenue from federal programs.

For the years ended June 30, 2025 and 2024, the Foundation's grants receivable from federal sources accounted for 84% and 100% of total receivables, respectively.

Note 13: RETIREMENT PLAN

Employees of the School, meeting certain plan eligibility requirements, are eligible to participate in its sponsored 403(b) defined contribution plan, managed by American United Life Insurance Company. For eligible employees, the School makes a discretionary contribution based on an employee's gross wages as follows, chosen by the eligible employee: either a 5% employer contribution or 3% employer contribution and a 2% gross wage increase. The School's contributions are calculated at the end of each plan year and remitted subsequently. The School's paid discretionary contributions, net of forfeitures of \$101,465 and \$-, were \$69,754 and \$150,011 for the years ended June 30, 2025 and 2024, respectively, and are recorded in the combined statements of financial position in accrued expenses.

Note 14: COMPENSATED ABSENCES

All contracted employees are granted ten days of paid time off per year, provided that the employee is contracted for a full year. Annually, in June, any remaining paid time off balance from the fiscal year is paid out. At June 30, 2025 and 2024, there was no remaining unused paid time off and, therefore, no accrual recorded in the combined statements of financial position.

Note 15: EMPLOYEE RETENTION CREDIT

In July 2023, the Foundation received \$1.5 million from the IRS related to its previously submitted Employee Retention Credit (ERC) tax refund claim for the periods June 2020, September 2020, December 2020, March 2021, June 2021, and September 2021. Due to the uncertainty around the ERC, the Foundation recorded it when received. The amount is included in miscellaneous revenue and support for the year ended June 30, 2024.

Pelican Educational Foundation, Inc.
Schedule of Compensation, Benefits and Other Payments to Agency Head

For the year ended June 30,

2025

Agency Head Name: Hasan Suzuk, Executive Director

PURPOSE	AMOUNT
Salary	\$ 119,511
Benefits-health insurance	10,800
Benefits-Fica & Medicare	8,572
Benefits-retirement	3,392
Workers comp	-
Deferred compensation	-
Benefits-life insurance	54
Benefits-long term disability	172
Benefits-other insurance	666
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	2,798
Travel	-
Registration fees and conference travel	2,323
Unvouchered expenses	-
Meetings & conventions	-
Other	136
Total	\$ 148,424



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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*

Board of Directors
Pelican Educational Foundation, Inc. and Affiliate
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 combined financial statements of Pelican Educational Foundation, Inc. and Affiliate (the Foundation) (a nonprofit organization) (d/b/a Kenilworth Science & Technology Charter School), which comprise the combined statement of financial position as of June 30, 2025, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated December 26, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Foundation’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 combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’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 Foundation’s combined 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 purposes 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 material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's combined 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 determination of combined financial statement amounts. 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 Foundation'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 Foundation'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.

Carr, Rigggs & Ingram, L.L.C.

Metairie, Louisiana

December 26, 2025



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

Board of Directors
Pelican Educational Foundation, Inc. and Affiliate
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pelican Educational Foundation Inc. and Affiliate’s (the Foundation) (a nonprofit organization) (d/b/a Kenilworth Science and Technology Charter School) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Foundation’s major federal programs for the year ended June 30, 2025. The Foundation’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the Foundation 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 Foundation’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 Foundation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Foundation'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 Foundation'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.

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana

December 26, 2025

Pelican Educational Foundation, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures (\$)	Total Federal Expenditures (\$)
<u>United States Department of Education/Louisiana</u>				
<u>Department of Education</u>				
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 445,138	\$ 445,138
Supporting Effective Instruction State Grants	84.367	N/A	53,505	53,505
Student Support and Academic Enrichment Program	84.424	N/A	43,193	43,193
<u>United States Department of Education/ Special Education</u>				
<u>Cluster</u>				
Special Education - Grants to States (IDEA, Part B)	84.027	N/A	176,121	176,121
Special Education - Grants to States (IDEA Preschool)	84.173	N/A	1,639	1,639
Total Special Education Cluster			177,760	177,760
<u>Education Stabilization Fund</u>				
Real-time Early Access to Literacy Grant	84.425	N/A	51,150	51,150
Total Department of Education			770,746	770,746
<u>United States Department of Agriculture/Direct</u>				
<u>Program/Child Nutrition Cluster</u>				
National School Lunch Program	10.555	N/A	704,918	704,918
Total Expenditures of Federal Awards			\$ 1,475,664	\$ 1,475,664

*Pelican Educational Foundation did not pass-through any amounts to subrecipients.

Pelican Educational Foundation, Inc.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – This schedule includes the activity of Pelican Educational Foundation, Inc. and Affiliate (the Foundation) (a nonprofit organization) (d/b/a Kenilworth Science and Technology Charter School) and is presented on the accrual basis of accounting. 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).

Note 2: INDIRECT COST RATE

The Foundation has not elected to use the de minimis indirect rate allowed under the Uniform Guidance.

Note 3: LOAN

The Foundation did not expend federal awards related to loans or loan guarantees during the year.

Note 4: FEDERALLY FUNDED INSURANCE

The Foundation has no federally funded insurance.

Note 5: NONCASH ASSISTANCE

The Foundation received no noncash assistance.

**Pelican Educational Foundation, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025**

Section I: SUMMARY OF AUDITOR'S RESULTS

Combined Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(es) identified? None noted

Noncompliance material to combined financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(es) identified? None noted

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a)? No

Identification of major federal programs:

Assistance Listing #	Federal Program or Cluster
10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and B programs was \$750,000 for major federal programs.

Auditee qualified as a low-risk auditee for federal purposes? Yes

**Pelican Educational Foundation, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025**

Section II: COMBINED FINANCIAL STATEMENT FINDINGS

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

Section III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings noted related to the major federal award program for the year ended June 30, 2025.

Section IV: MANAGEMENT LETTER

A management letter was not issued for the year ended June 30, 2025.

Section V: SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters were reported.

Pelican Educational Foundation, Inc.
Combining Statement of Financial Position
For the Year Ended June 30, 2025

<i>June 30,</i>	School	Friends of Pelican Educational Foundation	Eliminations	2025 Total
Assets				
Current assets				
Cash and cash equivalents	\$ 4,316,636	\$ -	\$ -	\$ 4,316,636
Cash restricted for student activities	43,939	-	-	43,939
Grants receivable	186,575	-	-	186,575
Prepaid expenses and other assets, current	140,283	-	-	140,283
Total current assets	<u>4,687,433</u>	<u>-</u>	<u>-</u>	<u>4,687,433</u>
Non-current assets				
Operating lease right-of-use assets, net	196,109	-	-	196,109
Property and equipment, net	758,812	21,988,612	-	22,747,424
Total non-current assets	<u>954,921</u>	<u>21,988,612</u>	<u>-</u>	<u>22,943,533</u>
Total assets	<u>\$ 5,642,354</u>	<u>\$ 21,988,612</u>	<u>\$ -</u>	<u>\$ 27,630,966</u>
Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 47,394	\$ -	\$ -	\$ 47,394
Accrued expenses	583,822	93,579	-	677,401
Current portion of operating lease liabilities	62,932	-	-	62,932
Short term portion of bond payable	-	388,000	-	388,000
Total current liabilities	<u>694,148</u>	<u>481,579</u>	<u>-</u>	<u>1,175,727</u>
Long-term liabilities				
Operating lease liabilities, less current portion	133,177	-	-	133,177
Bond payable, net of short term portion	-	22,386,620	-	22,386,620
Total long-term liabilities	<u>133,177</u>	<u>22,386,620</u>	<u>-</u>	<u>22,519,797</u>
Total liabilities	<u>827,325</u>	<u>22,868,199</u>	<u>-</u>	<u>23,695,524</u>
Net assets				
Without donor restrictions	4,771,090	(879,587)	-	3,891,503
With donor restrictions	43,939	-	-	43,939
Total net assets	<u>4,815,029</u>	<u>(879,587)</u>	<u>-</u>	<u>3,935,442</u>
Total liabilities and net assets	<u>\$ 5,642,354</u>	<u>\$ 21,988,612</u>	<u>\$ -</u>	<u>\$ 27,630,966</u>

Pelican Educational Foundation, Inc.
Combining Statement of Activities
For the Year Ended June 30, 2025

<i>For the Year Ended June 30,</i>	School	Friends of Pelican Educational Foundation	Eliminations	2025 Total
Revenue and support				
MFP state	\$ 3,276,437	\$ -	\$ -	\$ 3,276,437
MFP local	6,722,269	-		6,722,269
Federal grants	1,475,664	-		1,475,664
State grants	290,650	-		290,650
Contributions and donations	30,588	-		30,588
Rental income	-	1,381,097	(1,381,097)	-
Miscellaneous	215,740	-		215,740
Total revenue and support	12,011,348	1,381,097	(1,381,097)	12,011,348
Expenses				
Program services:				
Instructional	9,294,587	54,750		9,349,337
Support services:				
Management and general support	2,776,456	2,205,934	(1,381,097)	3,601,293
Total expenses	12,071,043	2,260,684	(1,381,097)	12,950,630
Change in net assets	(59,695)	(879,587)	-	(939,282)
Net assets at beginning of year	4,874,724	-	-	4,874,724
Net assets at end of year	\$ 4,815,029	\$ (879,587)	\$ -	\$ 3,935,442