

2024-2025

# REGINA COELI CHILD DEVELOPMENT CENTER'S

# ANNUAL REPORT

## WHO WE ARE

Regina Coeli was started in 1969. We serve children and families in Southeast Louisiana. RCCDC serves Tangipahoa, Washington, St. Tammany, St. Helena, and Livingston Parishes. We are funded to serve 860 Head Start children, 402 Early Head Start children, and 66 pregnant women. RCCDC employs over 400 employees across five parishes.

## OUR MISSION

The mission of Regina Coeli is to provide the highest quality of service to children and families through a community team effort based on the question: "Is it good for children?"

# Leadership

Josalyn B. Robinson, Ph.D. – Executive Director (HS/EHS Director)

Sandra Flad, MBA, SRHM-CP, PHR-Director of Business Operations

Dawn C. Williams, Ph.D.-Center Operations

Shaniqua Edwards – MSHS-Director of Monitoring & Compliance

Reggie Knox- Director of Facilities

Shanna G. Bickham, M.ED, MAEd-Infant Transition & Compliance Administrator

Dametra Varnado- Executive Operations Administrator

Frederick Taylor, M.Sc-Instruction & Learning Administrator



# Governing Body

## Board of Directors

Hildra Martin (President)

Sandra Towle (1st Vice President)

Dr. Carolyn Roman (2nd Vice President)

Stephenie Miller (Secretary)

Kimberly Showers (Treasurer)

Kimberly Fultz, Esq (Board Attorney)

Anna Greenwood-Garrett

Darreon Guy Griffin

Dr. Constance Dyson

Cindy Wright

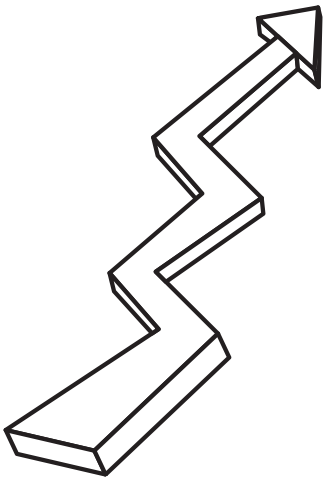
Dr. Carol Torrey

Abigail Anthony

Major Coleman

Robyn Hutchinson

Sean Williams, EdS



# Governing Body

## Policy Council

Matthew Ravencraft, President

Brianna Reid Tillett, Vice-president

Abigail Anthony, Liaison

LaShayla Richardson

Jela Ard

Tiara Turner

Summer Reviere

Carly Dalton

Dominique Thomas

Stacy Allen

Angelique Dugas

Brittany Rohr

Tremelda Alexander

Alexa Bates

Shelby Clemons

Hope Johnson

Simone Jacob

Astria Franklin

Lynn Henry

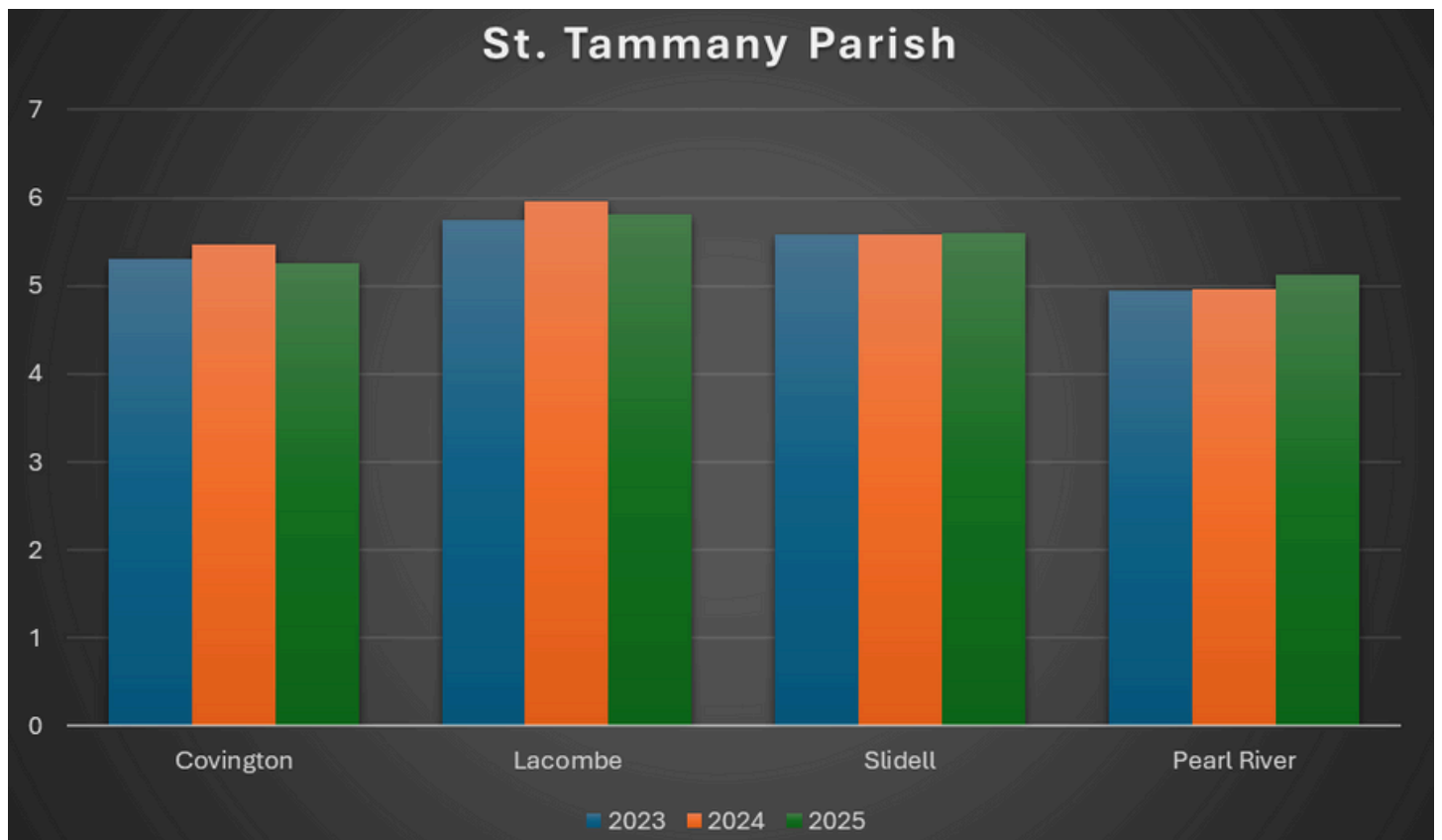
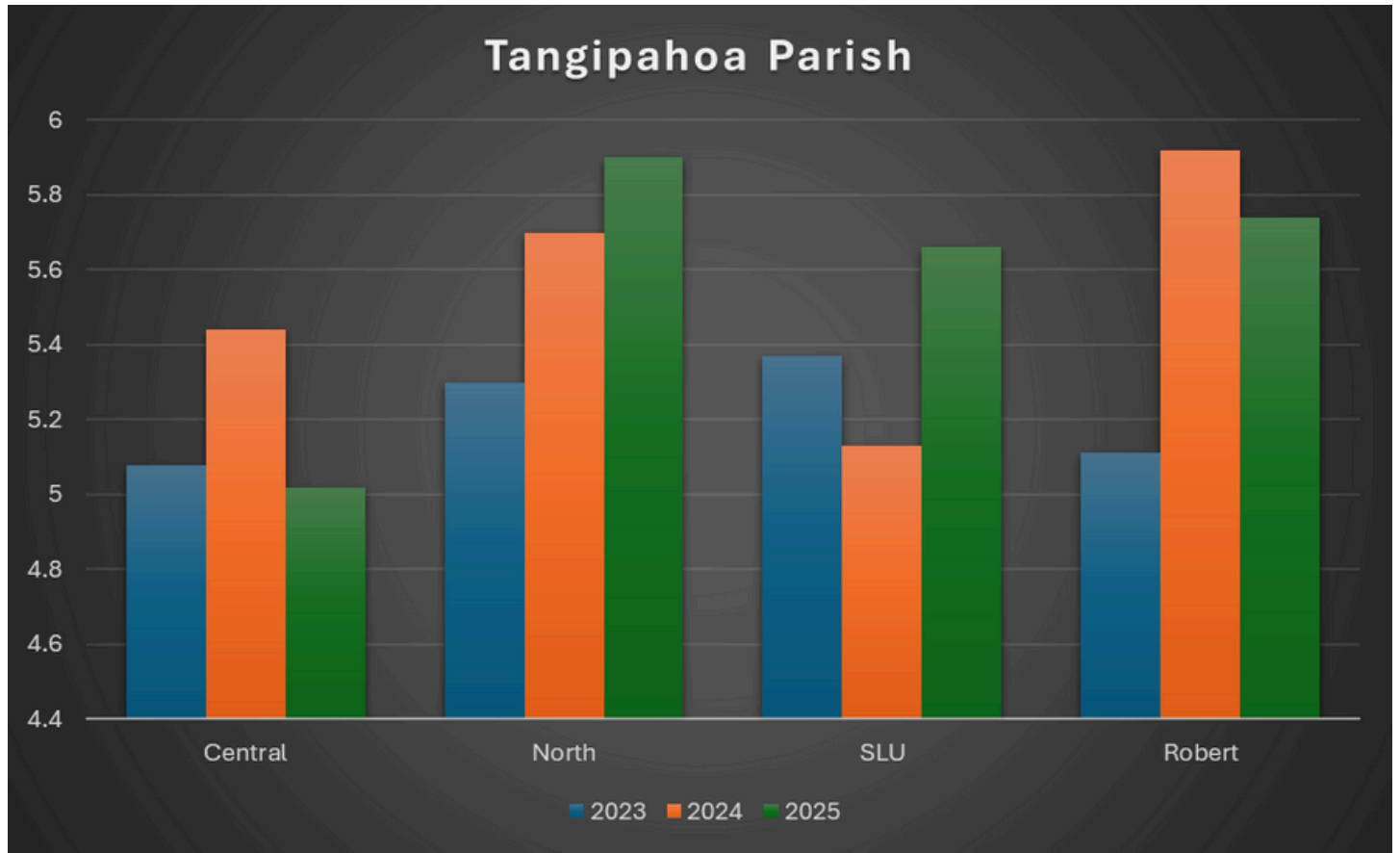


I am proud to announce the following:

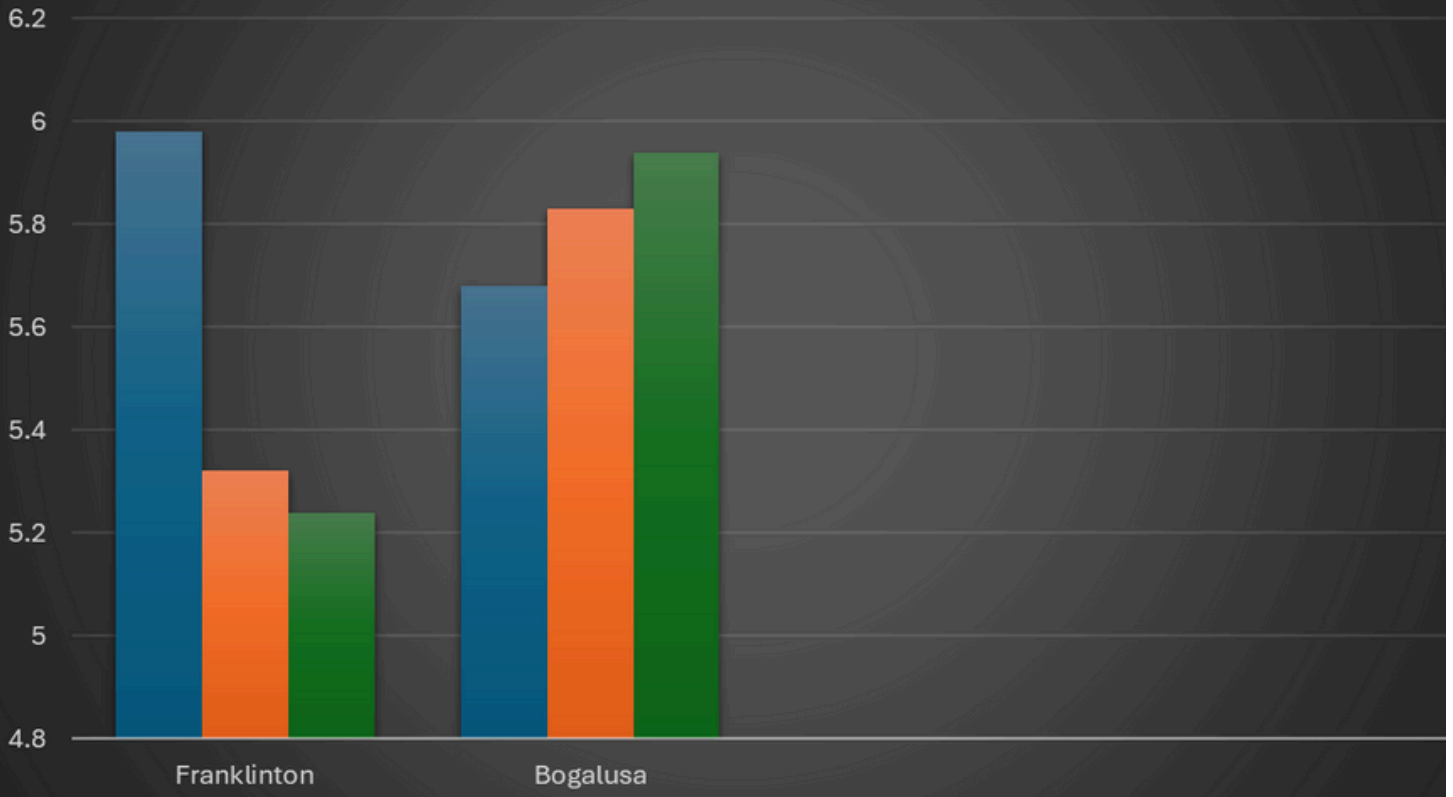
- 12 of our 15 (80%) centers were rated as High Proficient and 3 rated Proficient
- 9 Head Start centers scored EXCELLENT in Emotional Support, with the other 4 scoring High Proficient
- 7 Early Head Start Centers scored EXCELLENT in Emotional & Behavioral Support
- 8 out of 9 of the Infant Classrooms scored EXCELLENT or High Proficient in Responsive Caregiving
- 10 EHS centers received Birth-to-2 Honor Roll
- Round of applause to BOGALUSA HEAD START for being the ONLY center to score High Proficient in INSTRUCTIONAL SUPPORT
- Joining BOGALUSA EARLY HEAD START in rating High Proficient in Engaged Support is SLU EARLY HEAD START DRUMROLL PLEASE....
- Special Shoutouts to BOGALUSA HEAD START (5.94) AND NORTH TANGI (5.9) for being RCCDC'S TOP PERFORMERS. (CLASS scores range from 1-7)
- SLU HEAD START & EARLY HEAD START receives RCCDC's MOST IMPROVED acknowledgement for seeing a .53 overall performance increase.



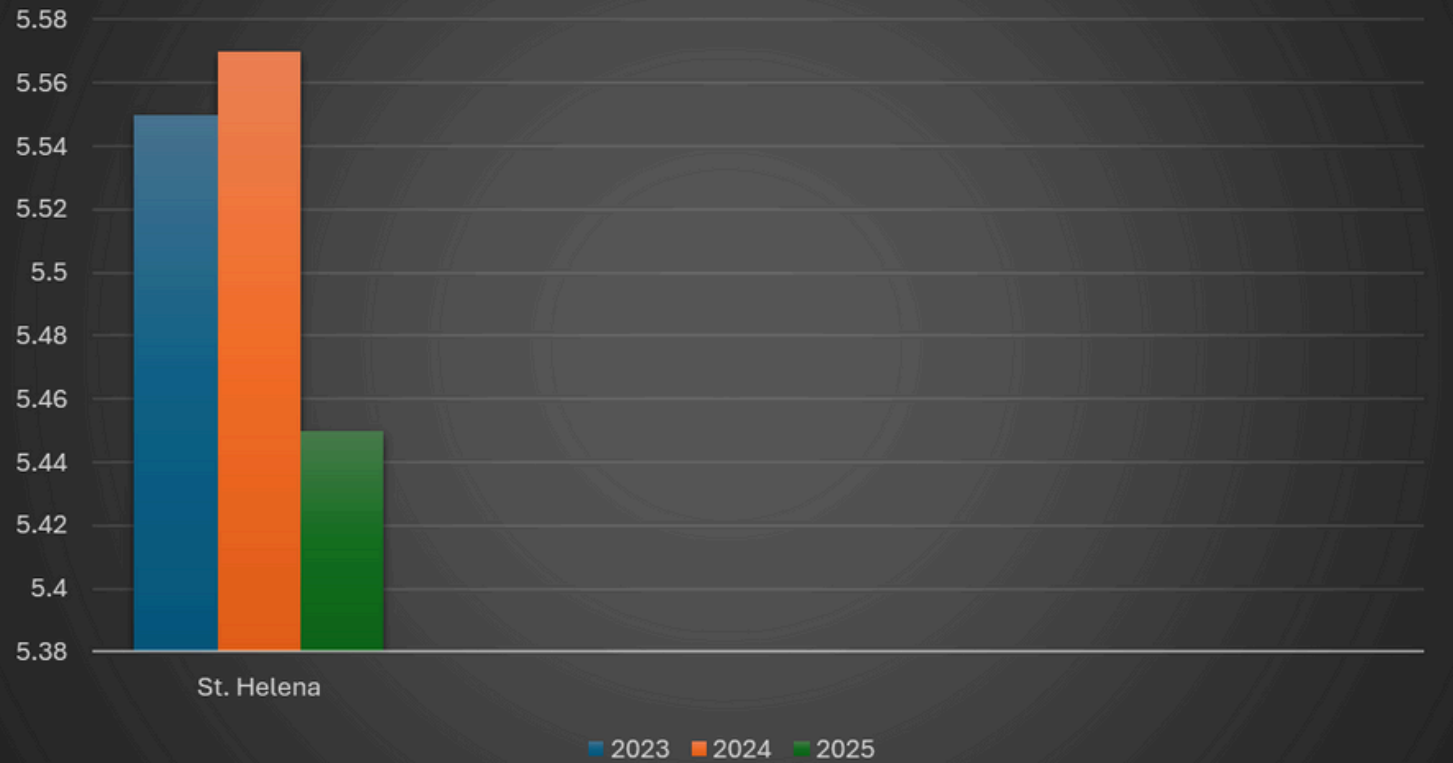
# RCCDC's 2024-2025 Performance Profiles



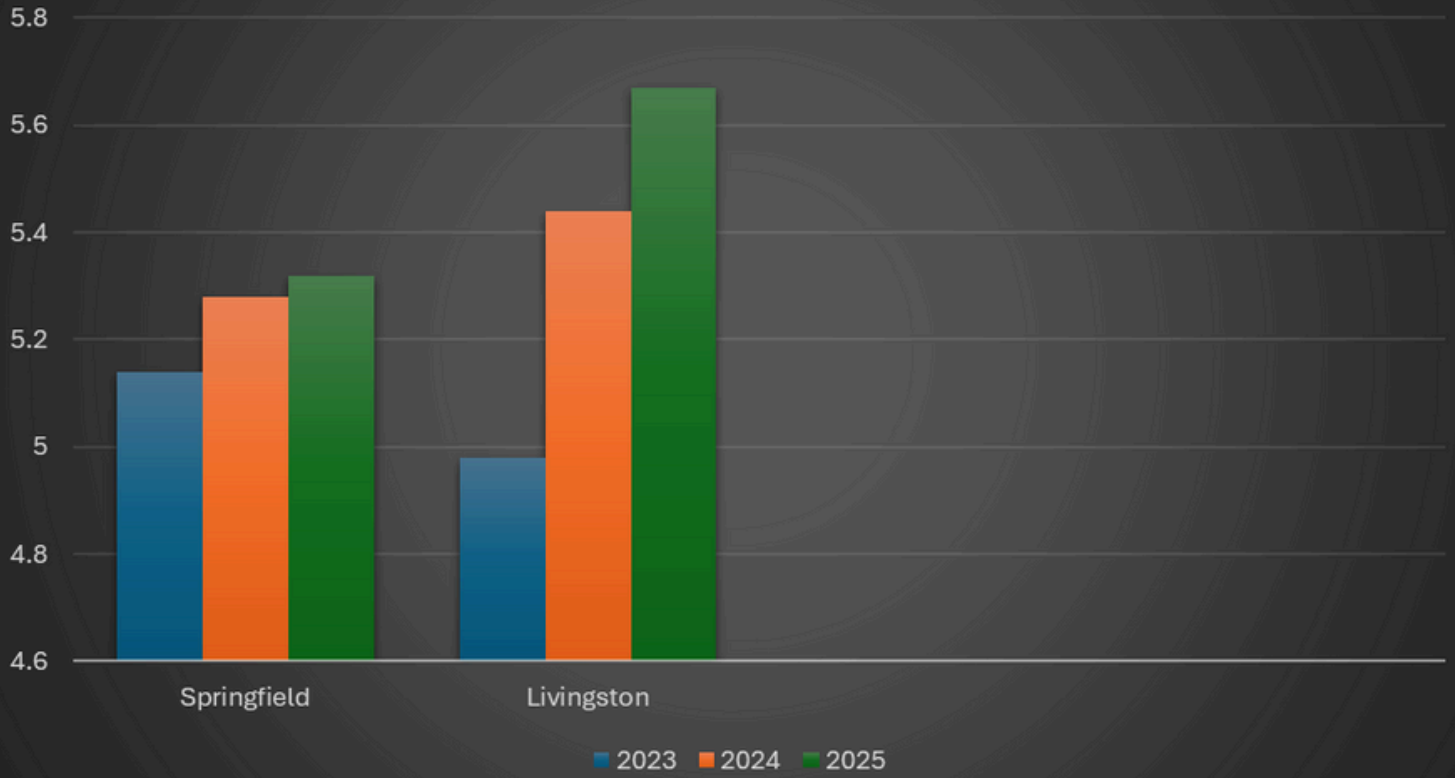
## Washington Parish



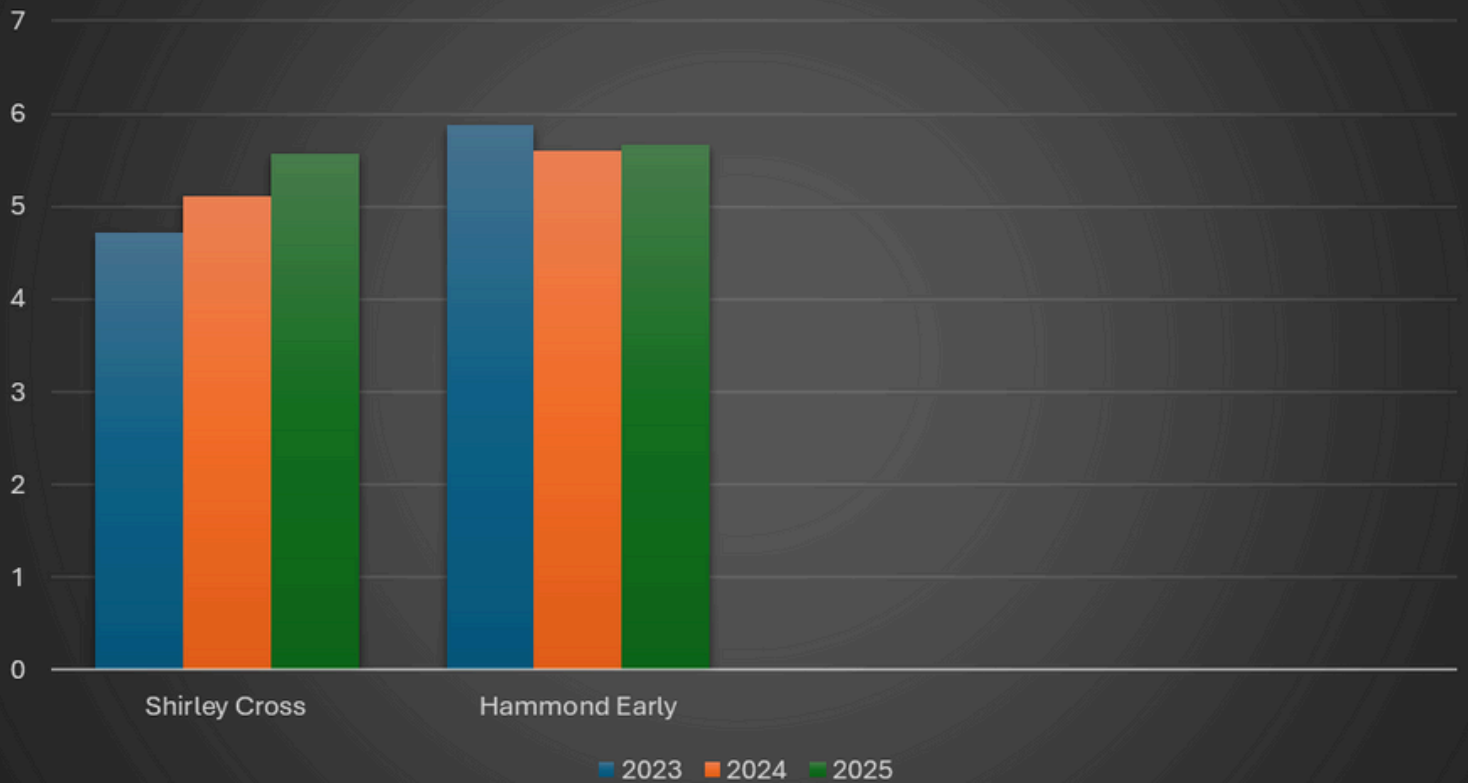
## St. Helena Parish



## Livingston Parish



## Tangipahoa Parish-Closed Sites



# Overall Performance

High Proficient Centers:

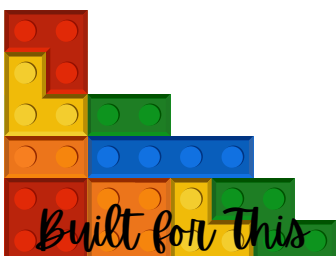
Bogalusa  
North Tangi  
Lacombe  
Robert  
Livingston  
Slu

High Proficient Centers:

Slidell  
Shirley Cross  
St. Helena  
Springfield  
Hammond  
Covington

Proficient Centers:

Franklinton  
Pearl River  
Central



# SERVICES



## Executive Summary

This Program Information Report (PIR) summary compares the 2023–2024 and 2024–2025 program years for both Early Head Start (EHS) and Head Start (HS). Key findings show modest enrollment changes, shifts in staff qualifications, and progress in family services. While enrollment remained relatively stable, there were increases in families receiving housing assistance and job training support. However, some areas such as chronic absenteeism and dental follow-up care continue to present challenges. This report highlights trends, successes, and opportunities for growth as RCCDC continues its mission to support children and families.

## At-a-Glance Dashboard

Indicator	2023–2024	2024–2025	Change
EHS Funded Enrollment	468	468	↔ 0%
HS Funded Enrollment	860	860	↔ 0%
Total Cumulative Enrollment (EHS)	626	622	↓ -1%
Total Cumulative Enrollment (HS)	1055	1000	↓ -5%
Children with Disabilities (EHS)	15%	Approx. 16/622 (~2.5%)	↓
Children with Disabilities (HS)	12%	140/1000 (14%)	↑ +2%
Families Receiving Mental Health Services (EHS)	226	139	↓ -38%
Families Receiving Mental Health Services (HS)	328	322	↔ -2%
Families Receiving Parenting Curriculum (EHS)	349	320	↓ -8%

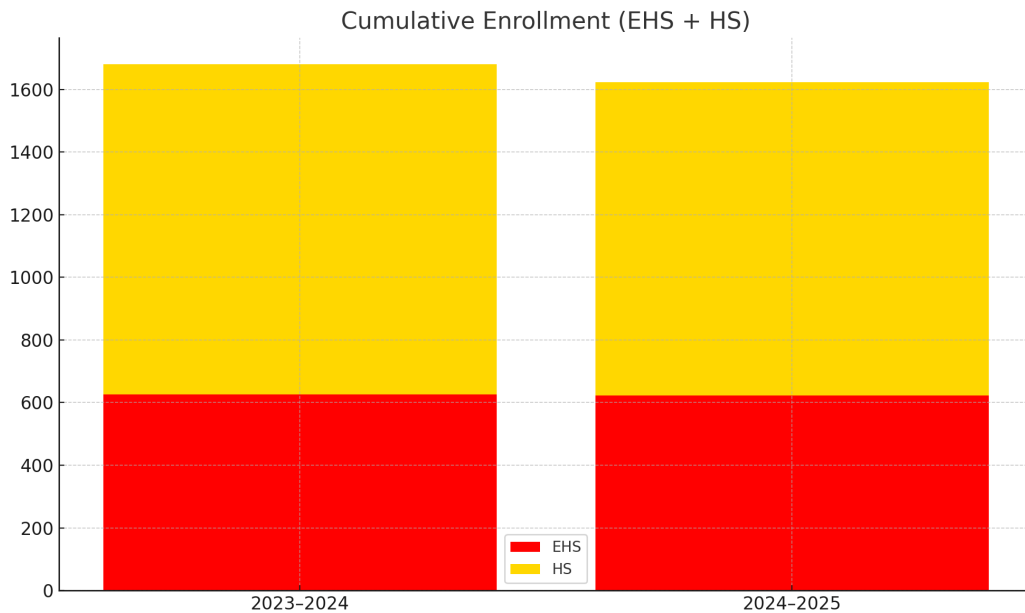
Families Receiving Parenting Curriculum (HS)	594	586	↔ -1%
Families Experiencing Homelessness (HS)	30	31	↔ +3%
Children in Foster Care (HS)	35	19	↓ -46%
Expectant Families Program Enrollment	25	82	↑ +228%

Note: Arrows indicate direction of change (↑ increase, ↓ decrease, ↔ stable).

## Enrollment & Eligibility

### Enrollment Overview

Program	2023-2024	2024-2025	Change
EHS Funded Enrollment	468	468	↔ Stable
HS Funded Enrollment	860	860	↔ Stable
EHS Cumulative Enrollment	626	622	↓ -1%
HS Cumulative Enrollment	1055	1000	↓ -5%



Enrollment remained steady in EHS while HS experienced a 5% decline.

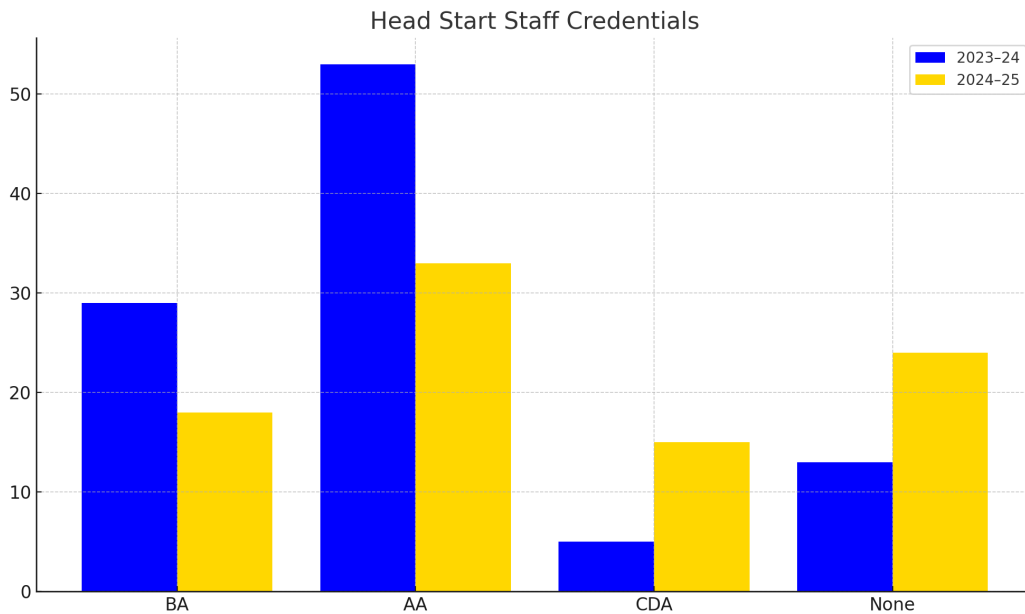
## Classroom Staff

### EHS Staff Qualifications

Credential	2023-2024	2024-2025
BA	8	8
AA	34	28
CDA	47	52
None	17	21

### HS Staff Qualifications

Credential	2023-2024	2024-2025
BA	29	18
AA	53	33
CDA	5	15
None	13	24



There was a notable decrease in BA and AA degrees among HS staff, with an increase in CDA credentials.

## Health & Medical Services

### Children with Health Insurance

<b>Program</b>	<b>2023-2024</b>	<b>2024-2025</b>
EHS	576	535
HS	1038	998

While coverage remained high, there was a slight decline in both EHS and HS insured children.

## Disabilities / IDEA

### Children with Disabilities

<b>Program</b>	<b>2023-2024</b>	<b>2024-2025</b>
EHS	15% (~94)	16 (2.5%)
HS	12% (~126)	14% (140)

EHS showed fewer children with disabilities identified in 2024-25, while HS increased slightly to 14%.

## Family Services

### Mental Health Services

<b>Program</b>	<b>2023-2024</b>	<b>2024-2025</b>
EHS	226	139
HS	328	322

### Parenting Curriculum

<b>Program</b>	<b>2023-2024</b>	<b>2024-2025</b>
EHS	349	320
HS	594	586

EHS experienced a decrease in families receiving mental health services, while HS remained stable.

## Homelessness & Foster Care

### Homelessness

<b>Program</b>	<b>2023-2024</b>	<b>2024-2025</b>
EHS Children	20	28
HS Families	30	31

### Foster Care

<b>Program</b>	<b>2023-2024</b>	<b>2024-2025</b>
EHS Children	17	11
HS Children	35	19

Homelessness services increased slightly, while foster care cases declined significantly.

## Curriculum & Screenings

### Curriculum Changes

#### 2023-2024

Creative Curriculum, TS Gold, Ready Rosie

#### 2024-2025

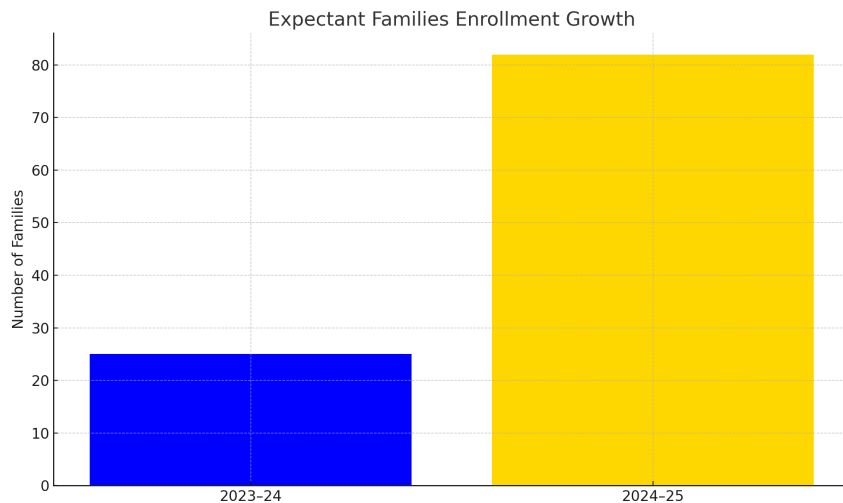
Frog Street (Infant, Toddler, Pre-K), TS Gold, Ready Rosie

The program transitioned from Creative Curriculum to Frog Street, continuing use of TS Gold and Ready Rosie.

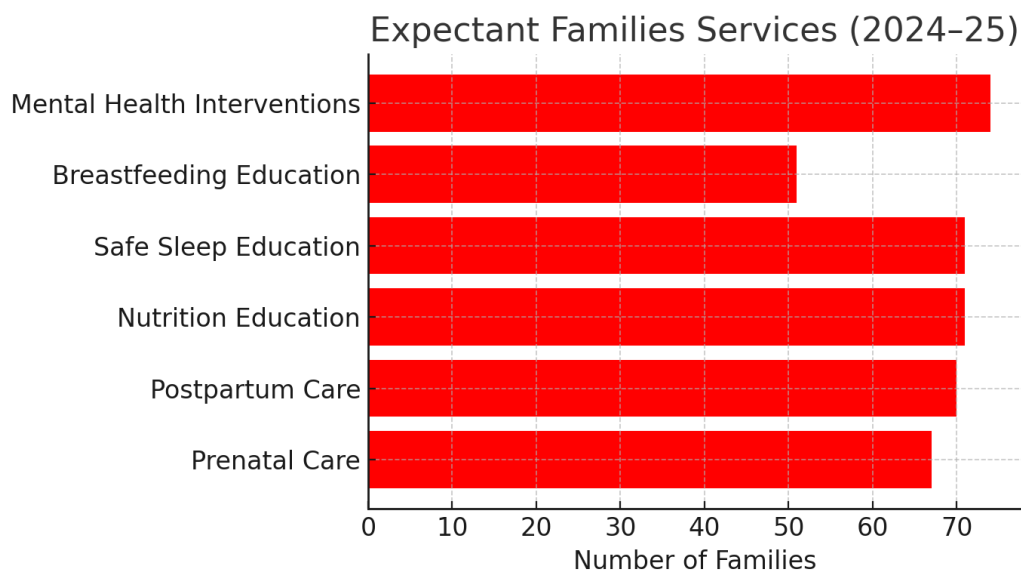
# Spotlight: Expectant Families Program 2024–2025 Success Story

The Pregnant Women’s Program at RCCDC achieved remarkable growth and impact in 2024–2025, expanding enrollment and significantly increasing the range of services provided. Enrollment rose from 25 women in 2023–2024 to 82 in 2024–2025 — a 228% increase.

## Enrollment Growth



Services Provided



### **Key Highlights**

- 67 women received prenatal health care.
- 70 women accessed postpartum care.
- 71 women received nutrition and safe sleep education.
- 74 women received mental health interventions.
- 51 women received breastfeeding education.
- 16 pregnancies identified as medically high-risk were supported.
- 59 newborn visits completed, with 47 within two weeks of birth.

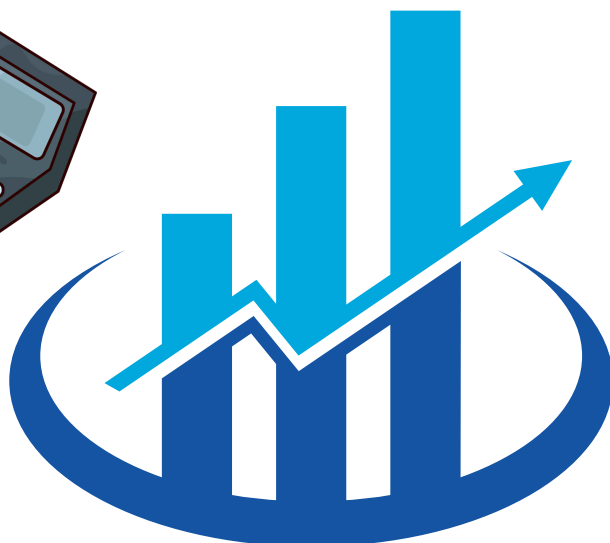
The Expectant Families Program stands as a model of success, strengthening maternal and infant health while expanding critical services for families in need.

### **Closing Statement**

The 2024–2025 PIR reflects RCCDC’s continued dedication to providing high-quality services for children and families. While some areas, such as staff qualifications and mental health services, experienced declines, there were important gains in disability identification, housing assistance, and stable enrollment. These findings underscore the importance of ongoing staff development, health partnerships, and family engagement to ensure every child and family thrives.



# FINANCIALS



**EISNERAMPER**

**REGINA COELI CHILD DEVELOPMENT CENTER**

**FINANCIAL STATEMENTS**

**MAY 31, 2025**



# REGINA COELI CHILD DEVELOPMENT CENTER

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Regina Coeli Child Development Center

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Regina Coeli Child Development Center (the "Center"), which comprise the statements of financial position as of May 31, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Regina Coeli Child Development Center as of May 31, 2025 and 2024, and the results of their operations and their cash flows for each of 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center 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 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other 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 Schedule of Compensation, Benefits, and Other Payments to Agency Head 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 November 17, 2025, on our consideration of the Center'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 Center'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 Center's internal control over financial reporting and compliance.

*EisnerAmper LLP*

EISNERAMPER LLP  
Metairie, Louisiana  
November 17, 2025

EISNERAMPER  
LLP



**REGINA COELI CHILD DEVELOPMENT CENTER**  
**ROBERT, LOUISIANA**

**STATEMENTS OF FINANCIAL POSITION**  
**MAY 31, 2025 AND 2024**

**ASSETS**

	<u>2025</u>	<u>2024</u>
<b><u>CURRENT ASSETS:</u></b>		
Cash and cash equivalents	\$ 1,086,928	\$ 764,403
Grants receivable	167,480	889,027
Contribution receivable, current portion	34,800	34,800
	<u>1,289,208</u>	<u>1,688,230</u>
<b><u>OTHER ASSETS:</u></b>		
Contribution receivable, non-current portion	96,117	125,580
Right of use assets, net	323,906	32,622
	<u>420,023</u>	<u>158,202</u>
<b><u>PROPERTY AND EQUIPMENT:</u></b>		
Land	999,658	999,658
Buildings	14,287,428	14,352,344
Leasehold improvements	14,050	-
Vehicles	1,257,203	1,257,203
Equipment	2,726,468	2,726,469
	<u>19,284,807</u>	<u>19,335,674</u>
Less: accumulated depreciation	<u>(10,841,971)</u>	<u>(9,935,784)</u>
	<u>8,442,836</u>	<u>9,399,890</u>
Total property and equipment, net	<u>8,442,836</u>	<u>9,399,890</u>
Total assets	<u>\$ 10,152,067</u>	<u>\$ 11,246,322</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>CURRENT LIABILITIES:</u></b>		
Accounts payable and accrued expenses	\$ 976,823	\$ 1,256,635
Operating lease liabilities, current portion	30,000	33,022
Notes payable, current portion	43,137	41,089
	<u>1,049,960</u>	<u>1,330,746</u>
Total current liabilities	<u>1,049,960</u>	<u>1,330,746</u>
<b><u>LONG-TERM LIABILITIES:</u></b>		
Operating lease liabilities, non-current portion	293,906	-
Notes payable, net of current portion	48,985	92,290
	<u>342,891</u>	<u>92,290</u>
Total long-term liabilities	<u>342,891</u>	<u>92,290</u>
Total liabilities	<u>1,392,851</u>	<u>1,423,036</u>
<b><u>NET ASSETS:</u></b>		
Without donor restrictions	8,628,299	9,662,906
With donor restrictions	130,917	160,380
	<u>8,759,216</u>	<u>9,823,286</u>
Total net assets	<u>8,759,216</u>	<u>9,823,286</u>
Total liabilities and net assets	<u>\$ 10,152,067</u>	<u>\$ 11,246,322</u>

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

**REGINA COELI CHILD DEVELOPMENT CENTER**  
**ROBERT, LOUISIANA**

**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED MAY 31, 2025 AND 2024**

	<b><u>2025</u></b>	<b><u>2024</u></b>
<b><u>REVENUES WITHOUT DONOR RESTRICTIONS</u></b>		
Contributions - grants	\$ 21,224,565	\$ 20,680,972
Contributions - goods and services	591,147	836,020
Contributions - other	14,849	9,806
Other income	1,500	12,951
Net assets released from restriction	29,463	34,100
	<u>21,861,524</u>	<u>21,573,849</u>
Total revenues without donor restrictions		
<b><u>EXPENSES:</u></b>		
Program	20,378,042	19,722,717
Management and general	2,516,475	2,372,387
Fundraising	1,614	-
	<u>22,896,131</u>	<u>22,095,104</u>
Total expenses		
<b><u>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</u></b>	<u>(1,034,607)</u>	<u>(521,255)</u>
<b><u>REVENUES WITH DONOR RESTRICTIONS</u></b>		
Contributions - non-financial assets	-	160,380
Net assets released from restriction	(29,463)	(34,100)
	<u>(29,463)</u>	<u>126,280</u>
<b><u>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</u></b>		
	<u>(29,463)</u>	<u>126,280</u>
<b><u>CHANGE IN NET ASSETS</u></b>	<u>(1,064,070)</u>	<u>(394,975)</u>
<b><u>NET ASSETS AT BEGINNING OF YEAR</u></b>	<u>9,823,286</u>	<u>10,218,261</u>
<b><u>NET ASSETS AT END OF YEAR</u></b>	<u>\$ 8,759,216</u>	<u>\$ 9,823,286</u>

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

**REGINA COELI CHILD DEVELOPMENT CENTER**  
**ROBERT, LOUISIANA**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2025**

	Program	Management and General	Fundraising	Total
Personnel	\$ 13,547,047	\$ 1,505,228	\$ -	\$ 15,052,275
Fringe benefits	1,880,975	147,598	-	2,028,573
Occupancy	1,693,178	174,939	-	1,868,117
Food costs	976,766	-	-	976,766
Other supplies	372,758	106,204	1,614	480,576
Depreciation	815,568	90,619	-	906,187
Travel	211,545	52,860	-	264,405
Consultants	200,633	88,528	-	289,161
Educational supplies	217,531	-	-	217,531
Other	180,966	148,502	-	329,468
Training	188,176	86,409	-	274,585
Insurance	-	113,212	-	113,212
Interest	3,563	2,376	-	5,939
Loss on disposal of assets	89,336	-	-	89,336
Total	<u>\$ 20,378,042</u>	<u>\$ 2,516,475</u>	<u>\$ 1,614</u>	<u>\$ 22,896,131</u>

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

**REGINA COELI CHILD DEVELOPMENT CENTER**  
**ROBERT, LOUISIANA**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2024**

	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
Personnel	\$ 12,309,693	\$ 1,474,260	\$ 13,783,953
Fringe benefits	1,728,333	174,898	1,903,231
Occupancy	1,783,973	143,045	1,927,018
Depreciation	861,984	95,776	957,760
Food costs	867,325	-	867,325
Other supplies	695,673	110,745	806,418
Training	351,130	52,628	403,758
Travel	344,784	33,821	378,605
Other	285,708	85,217	370,925
Educational supplies	339,098	-	339,098
Consultants	120,645	124,859	245,504
Insurance	29,254	73,727	102,981
Interest	5,117	3,411	8,528
Total	<u>\$ 19,722,717</u>	<u>\$ 2,372,387</u>	<u>\$ 22,095,104</u>

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

**REGINA COELI CHILD DEVELOPMENT CENTER**  
**ROBERT, LOUISIANA**

**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED MAY 31, 2025 AND 2024**

	<b><u>2025</u></b>	<b><u>2024</u></b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ (1,064,070)	\$ (394,975)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss on disposal of assets	89,336	-
Depreciation	906,187	957,760
Change in operating lease right-of-use assets	(291,284)	79,058
Changes in operating assets and liabilities:		
Grants receivable	721,547	(62,137)
Prepaid expenses and other assets	29,463	(126,280)
Accounts payable and accrued expenses	(279,812)	114,454
Operating lease liabilities	290,884	(80,258)
	<u>402,251</u>	<u>487,622</u>
Net cash provided by operating activities		
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Purchases of property and equipment	<u>(38,469)</u>	<u>(395,521)</u>
Net cash used in investing activities	<u>(38,469)</u>	<u>(395,521)</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES:</u></b>		
Principal payments on notes payable	<u>(41,257)</u>	<u>(60,765)</u>
Net cash used in financing activities	<u>(41,257)</u>	<u>(60,765)</u>
Net change in cash and cash equivalents	322,525	31,336
Cash, cash equivalents, and restricted cash, beginning of year	<u>764,403</u>	<u>733,067</u>
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 1,086,928</u>	<u>\$ 764,403</u>
<b><u>Supplemental disclosure of cash flow information:</u></b>		
Cash paid during the year for interest expense	<u>\$ 5,939</u>	<u>\$ 8,528</u>

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

## **REGINA COELI CHILD DEVELOPMENT CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. Summary of Significant Accounting Policies**

##### Organization

Regina Coeli Child Development Center (the Center) is a non-profit center that operates Head Start programs in Southeast Louisiana. The Center has been in existence since 1969. It operates eighteen centers, including Head Start and Early Head Start programs, in the five parishes of Livingston, St. Helena, St. Tammany, Tangipahoa, and Washington. The goal of the Center is to improve the educational and economic opportunities of those it serves.

A summary of the Center's significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

##### Basis of Presentation

The financial statements of the Center have been prepared on an accrual basis in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Center to report information regarding its financial position and activities according to the following net asset classifications:

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Center's management and the Board of Directors.

*Net Assets With Donor Restrictions* – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. For the years ended May 31, 2025 and 2024, the Center had no net assets with permanent donor restrictions. At May 31, 2025 and 2024, the Center's net assets with donor restriction are temporary in nature (time restricted) and relate to the Center's cooperative endeavor agreement with the Board of Supervisors for the University of Louisiana System and Southeastern Louisiana University (see Note 8).

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities.

##### Cash and cash equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and having original maturities of three months or less.

##### Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management determined that no year-end balances were deemed to be not collectible. Accordingly, a valuation allowance was determined to be unnecessary.

## **REGINA COELI CHILD DEVELOPMENT CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. Summary of Significant Accounting Policies (continued)**

##### Contributions Receivable

Unconditional promises to give are recorded as contributions receivable. Those expected to be collected within one year are recorded at net realizable value. Those expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discount is included in contribution revenue in the statement of activities. Management has determined that no allowance for uncollectible contributions receivable is necessary at May 31, 2025 and 2024. Amounts included in contributions receivable at May 31, 2025 and 2024 relate to the Center's agreement with the Board of Supervisors for the University of Louisiana System and Southeastern Louisiana University (see Contributions of Non-financial Assets and Note 8).

##### Property and Equipment

All assets acquired having a cost or estimated fair value equal to or greater than \$5,000 and an estimated useful life of over five years are capitalized and depreciated.

Buildings, vehicles, and equipment are stated at cost at the date of acquisition or fair value at the date of donation in the case of gifts. Depreciation of all exhaustible fixed assets is charged as an expense. Depreciation has been calculated using the straight-line method. See Note 7 to the financial statements regarding the restrictions on assets acquired.

The estimated useful lives of property and equipment are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 Years
Modular buildings	15 – 20 Years
Vehicles	10 Years
Equipment	5 – 10 Years
Leasehold improvements	10 – 30 Years

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) relating to accounting for the impairment or disposal of long-lived assets, an asset is determined to be impaired if the carrying amount may not be recoverable. The impairment loss is measured as the amount by which the carrying amount of the assets exceeds its fair value. Fair value is determined by using an independent appraisal based on market comparisons. There were no impairment losses in 2025 or 2024.

##### Leases

The Center accounts for leases in accordance with ASU 2016-02, Leases (Topic 842), which requires the recognition of right-of-use ("ROU") assets and lease liabilities on the statements of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. The Center determines if an arrangement is a lease at the inception of the contract. For leases with terms greater than twelve months, right-of-use assets and lease liabilities are recognized at the contract commencement date based on the present value of lease payments over the lease term. Right-of-use assets represent the Center's right to use the underlying asset for the lease term. Lease liabilities present the Center's obligation to make lease payments arising from these contracts. The Center uses a risk-free rate, which is derived from information available at the least commencement date, in determining the present value of lease payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that such options will be exercised.

## **REGINA COELI CHILD DEVELOPMENT CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. Summary of Significant Accounting Policies (continued)**

Lease agreements may include rental escalation clauses or renewal options that are factored into management's determination of lease payments, when appropriate. The estimated useful life of right-of-use (ROU) assets is limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise. The Center's lease agreements generally do not contain any material residual value guarantees, restrictions, or covenants.

The Center has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this practical expedient to all relevant asset classes. Additionally, the Center elected transition provisions available which allowed the carryforward of the Center's historical assessments of whether contracts contain leases, the lease classification, and the treatment of initial direct costs.

#### **Grants, Contributions, and Revenue Recognition**

The Center recognizes contributions when cash, other assets, or an unconditional promise to give are received. Conditional promises to give, that is 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.

The Center also receives support in the form of grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Center has incurred expenses and/or met the performance requirements in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenses or meeting the performance requirements are reported as refundable advances in the Statements of Financial Position. No amounts were reported as refundable advances at May 31, 2025 or 2024.

As of May 31, 2025, the Center was awarded grants of approximately \$20 million for the fiscal year ended May 31, 2026 which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. As of May 31, 2025, no revenue has been recognized related to these awards, as the Center has not yet incurred the qualifying expenditures to seek reimbursement. As of May 31, 2024, the Center was awarded grants of approximately \$20 million for the fiscal year ended May 31, 2025 which were conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. As of May 31, 2024, no revenue was recognized as revenue for these grants as the Center had not incurred the qualifying expenditures to seek reimbursement. The Center recognized revenue for these grants during fiscal year 2025 when the qualifying expenditures were incurred.

#### **Functional Expenses**

The functional expenses have been summarized between program costs, management and general, and fundraising. Costs directly related to a particular function are charged based on actual costs. There are some costs that are allocated between Program and Management and General when both functions are benefitted by the same cost. These allocations primarily relate to salaries and benefits, which are determined by management based on time and effort.

#### **Contributions of Non-financial Assets (In-Kind Contributions)**

Contributions of non-financial assets are recorded as revenue when received and as an asset, reduction in a liability, or an expense depending on the form of the benefits received. There was a donor-imposed restriction on the donated facilities related to the CEA in 2025 and 2024 (see Note 8). There were no additional donor-imposed restrictions associated with the donated services and assets during 2025 or 2024.

## REGINA COELI CHILD DEVELOPMENT CENTER

### NOTES TO FINANCIAL STATEMENTS

#### 1. Summary of Significant Accounting Policies (continued)

Contributed services are recognized as in-kind revenues at their estimated fair value if they create or enhance non-financial assets or they require specialized skills that would need to be purchased if they were not donated. The Center receives contributed professional services that are recognized and reported using current hourly rates for similar services. The Center also accepts contributions of other non-financial assets that are used in the Center's programs. These other contributions are valued based on the publicly available price for similar items.

The following is a summary of in-kind contribution revenue (including amounts released from restriction) recognized in the years ended May 31:

	<u>2025</u>	<u>2024</u>
Occupancy	\$ 118,728	\$ 87,320
Supplies/Food	250,087	540,486
Consultants	196,274	115,698
Travel & training	12,273	107,359
Other	43,248	19,257
Total	<u>\$ 620,610</u>	<u>\$ 870,120</u>

The Center also receives a significant amount of donated services from unpaid volunteers who assist in the Center's classrooms. No amounts have been recognized in the statements of activities for these volunteer classroom services because the criteria for recognition have not been satisfied.

As discussed in Note 8, the Center has a cooperative endeavor agreement with the Board of Supervisors for the University of Louisiana System and Southeastern Louisiana University. Pursuant to the agreement, the Center receives the use of land for its center located on the campus of Southeastern Louisiana University at no cost for an initial term of twenty years. During fiscal year 2024, the Center determined the value of this contribution should be extended through the date of renewed grant funding of May 2029 on the basis of estimated fair value of similar properties from an independent party's real estate analysis. At May 31, 2025 and 2024, the contribution receivable related to this transaction was \$130,917 and \$160,380, respectively, and was recorded in the statements of financial position. During the year ended May 31, 2024, the Center recorded \$160,380 in contributions of non-financial assets with donor restrictions related to this agreement, representing the value of estimated future contributions related to this agreement. During the years ended May 31, 2025 and 2024, the Center recognized \$29,463 and \$34,100, respectively, in contributions of nonfinancial assets without donor restrictions related to this agreement, representing the value of the contribution realized in each fiscal year.

#### Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Concentrations of Credit Risk

The Center periodically maintains cash in bank accounts in excess of insured limits. The Center has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

## REGINA COELI CHILD DEVELOPMENT CENTER

### NOTES TO FINANCIAL STATEMENTS

#### 2. Liquidity and Availability

The Center receives approximately 97% of its total revenues without donor restriction from federal grants and raises the remaining portion through local efforts (non-federal share). These grants operate on a reimbursement basis. Because all assets owned by the Center were purchased with federal funds, the federal government retains a right (federal notice of interest) in ownership of these assets, and the Center is restricted from selling any or all assets. The Center is not allowed to maintain reserves or sell assets without federal approval. Should the Center lose federal grant funding, the Center would cease operations and would receive funds from the Office of Head Start (OHS) to settle any outstanding operating expenses and cover payroll expenses through the closing date. OHS would then work with the Center to transfer assets and liabilities of the Center to a new grantee.

The following represents the Center's financial assets at May 31:

	<u>2025</u>	<u>2024</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,086,928	\$ 764,403
Grants receivable	<u>167,480</u>	<u>889,027</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,254,408</u>	<u>\$ 1,653,430</u>

#### 3. Grants Receivable

Grants receivable at May 31 consisted of the following:

	<u>2025</u>	<u>2024</u>
Federal Grants		
Head Start Program	\$ -	\$ 723,613
Child Care Food Program	166,592	164,520
Non-Federal Grants	<u>888</u>	<u>894</u>
Total	<u>\$ 167,480</u>	<u>\$ 889,027</u>

**REGINA COELI CHILD DEVELOPMENT CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**4. Retirement Plan**

The Center sponsors a profit sharing plan under Section 404(c) of the Internal Revenue Code. The Plan is a defined contribution plan covering all full-time employees of the Center who are age eighteen or older. Employees are enrolled as active participants on the first day of the month coinciding with or immediately following the date eligibility requirements are met.

Each year, participants may make salary deferral contributions in any percentage from 1% to 100% of compensation subject to the maximum amount permitted by law. The value of a participant's account attributable to his or her contributions is always fully vested. Each plan year the Board of Directors will determine the amount of the employer contribution (if any) that will be made for all eligible participants who are actively employed on the last day of the plan year, which is May 31st. The plan has a five-year vesting schedule for employer contributions as follows:

<u>Year</u>	<u>Percent</u>
0 to less than 2 years	0%
2 years	25%
3 years	50%
4 years	75%
5 or more years	100%

A participant becomes fully vested in his or her entire account when he or she reaches either early retirement or normal retirement age.

During the years ended May 31, 2025 and 2024, \$100,000 and \$125,000, respectively, was contributed to the plan for the benefit of the plan participants employed by the Center, which is included in fringe benefits in the Statements of Activities.

**5. Notes Payable**

A summary of notes payable for purchases of head start facilities is as follows:

	<u>2025</u>	<u>2024</u>
Mortgage payable to U.S.D.A. Rural Economic and Community Development at an interest rate of 4.875%, secured by real estate, due in monthly installments of \$3,933 through August 2027.	\$ 92,122	\$ 133,379
Less: current portion	<u>(43,137)</u>	<u>(41,089)</u>
Total long-term notes payable, net	\$ <u>48,985</u>	\$ <u>92,290</u>

Principal payments on notes payable required in future years as of May 31, 2025, are as follows:

<u>Year</u>	<u>Amount</u>
2026	\$ 43,137
2027	45,288
2028	<u>3,697</u>
Total	\$ <u>92,122</u>

**REGINA COELI CHILD DEVELOPMENT CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**6. Leases**

The Center has lease agreements for the rental of office space at varying terms.

Information related to leases is as follows as of and for the years ended May 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases	\$ 52,900	\$ 82,400
ROU assets obtained in exchange for lease obligations	\$ 334,796	\$
Weighted average remaining lease term	14.33 Years	0.52 Years
Weighted average discount rate	4.14%	2.79%
Operating lease cost	\$ 53,300	\$ 82,400
Short-term lease cost	<u>68,487</u>	<u>50,047</u>
Total operating lease cost	<u>\$ 121,787</u>	<u>\$ 132,447</u>

As lessee, operating lease liabilities under non-cancellable leases (excluding short-term) leases are as follows:

Year Ending May 31:	
2026	\$ 30,000
2027	30,000
2028	30,000
2029	30,000
2030	30,000
Thereafter	<u>280,000</u>
Less: interest	<u>(106,094)</u>
	<u>\$ 323,906</u>

**7. Restrictions on Assets**

All assets acquired with Department of Health and Human Services funds are owned by the Center while used in the Head Start program for which they were purchased. The Department of Health and Human Services, however, has a reversionary interest in the assets purchased with grant funds, which includes all assets reported as fixed assets. Therefore, the disposition of these assets, as well as the ownership of any sale proceeds, is subject to the requirements of the Department of Health and Human Services.

## **REGINA COELI CHILD DEVELOPMENT CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

#### **8. Contingencies**

##### Use of Land

On December 6, 2018, the Center executed a new cooperative endeavor agreement with the Board of Supervisors for the University of Louisiana System and Southeastern Louisiana University. Pursuant to the agreement, the Center receives the use of land for its center located on the campus of Southeastern Louisiana University at no cost for an initial term of twenty years. At termination of the agreement or upon default of the Center, the modular buildings at that location would have to be relocated. The Center obtained the analysis of an independent third-party to assist with valuation of this contribution. As discussed in Note 1, the Center recorded the value of this contribution in fiscal year 2024, at the value the Center expects through its grant funding date of May 31, 2029.

##### Grant Programs

The Center participates in a number of federal programs which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Center has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of May 31, 2025 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Center.

#### **9. Board of Directors Compensation**

The members of the Center's board of directors were not compensated during the years ended May 31, 2025 and 2024.

#### **10. Economic Dependency**

The Center receives the majority of its revenue in the form of grants from the U.S. Department of Health and Human Services. The grant amounts are appropriated each year by the federal government. If significant budget cuts are made at the federal level, the amount of funds the Center receives could be reduced significantly and have an adverse impact on its operations. Additionally, the Center must resubmit applications for federal funding every 5 years (funding is awarded in 5-year blocks). The loss or significant reduction of federal programs funding could have a material adverse effect on the Center's operations. In April 2024, the Center's Head Start and Early Head Start federal grant funding was renewed through May 31, 2029.

#### **11. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 17, 2025, and determined that there were no subsequent events requiring disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.