

JEFFERSON RISE CHARTER SCHOOL

**Independent Auditor's Report
and Financial Statements
For the Year Ended
June 30, 2017**

JEFFERSON RISE CHARTER SCHOOL

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June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Jefferson RISE Charter School
Gretna, LA

Report on the Financial Statements

We have audited the accompanying financial statements of Jefferson RISE Charter School (the School), a nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Board of Directors
Jefferson RISE Charter School

Opinion

In our opinion, the financial statements referred to on page one present fairly, in all material respects, the financial position of the School as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

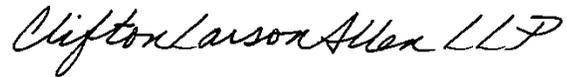
Our audit was conducted for the purpose of forming an opinion on the School's financial statements as a whole. The accompanying schedule of compensation, benefits and other payments the agency head is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The schedules required by Louisiana State Law, included as Schedules 1 through 9, are not a required part of the basic financial statements, but are supplementary information required by Louisiana State Law. 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 combining financial statements. We have applied certain limited procedures, which are described in the Independent Accountant's Report on Applying Agreed-Upon Procedures. However, we did not audit this information and, accordingly, express no opinion on it.

Board of Directors
Jefferson RISE Charter School

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 12, 2017 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP
Glendora, CA
September 12, 2017

JEFFERSON RISE CHARTER SCHOOL

STATEMENT OF FINANCIAL POSITION

June 30, 2017

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 255,779
Accounts receivable - federal and state	27,479
Prepaid expenses and other assets	<u>163,100</u>
Total current assets	<u>446,358</u>
Total assets	<u><u>\$ 446,358</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable and accrued liabilities	\$ <u>52,299</u>
Total current liabilities	<u>52,299</u>

NET ASSETS:

Unrestricted	<u>394,059</u>
Total net assets	<u>394,059</u>
Total liabilities and net assets	<u><u>\$ 446,358</u></u>

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

JEFFERSON RISE CHARTER SCHOOL

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017**

REVENUES:

State and local public school funding	\$ 2,281,964
Federal grants	164,333
Donations	90,438
Other income	<u>13,243</u>
Total revenues	<u>2,549,978</u>

EXPENSES:

Program services	1,984,217
Management and general	<u>351,489</u>
Total expenses	<u>2,335,706</u>
Change in unrestricted net assets	214,272
Beginning unrestricted net assets	<u>179,787</u>
Ending unrestricted net assets	<u>\$ 394,059</u>

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

JEFFERSON RISE CHARTER SCHOOL

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2017

CASH FLOWS from OPERATING ACTIVITIES:

Change in net assets	\$ 214,272
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Change in operating assets:	
Accounts receivable - federal and state	13,615
Accounts receivable - other	840
Prepaid expenses and other assets	(144,577)
Change in operating liabilities:	
Accounts payable and accrued liabilities	<u>7,290</u>
Net cash flows from operating activities	<u>91,440</u>
Net change in cash and cash equivalents	91,440
Cash and cash equivalents at the beginning of the year	<u>164,339</u>
Cash and cash equivalents at the end of the year	<u><u>\$ 255,779</u></u>

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

JEFFERSON RISE CHARTER SCHOOL

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2017

	Program	Management	Total
	Services	and General	Expenses
Salaries and wages	\$ 819,920	\$ 173,364	\$ 993,284
Pension expense	21,059	3,207	24,266
Other employee benefits	77,490	12,598	90,088
Payroll taxes	69,223	11,001	80,224
Legal expenses	15,714	-	15,714
Instructional materials	180,895	-	180,895
Other fees for services	182,765	47,277	230,042
Advertising and promotion expenses	-	493	493
Office expenses	19,426	53,601	73,027
Occupancy expenses	212,326	-	212,326
Insurance expense	-	40,152	40,152
Other expenses	385,399	9,796	395,195
	<u>\$ 1,984,217</u>	<u>\$ 351,489</u>	<u>\$ 2,335,706</u>

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

JEFFERSON RISE CHARTER SCHOOL

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – The Jefferson RISE Charter School (the School) was created as a non-profit corporation under the laws of the State of Louisiana in 2014. The School applied to the Jefferson Parish School Board to operate a Type I charter school. The Jefferson Parish School Board approved the charter of the School for a period of five years commencing on July 1, 2015 and ending on June 30, 2020. The School serves eligible students in eighth through twelfth grade.

The School received approximately 75% of its total revenues from Federal and State grantors.

Basis of Accounting – The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables and liabilities.

Basis of Presentation – The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States as prescribed by the Financial Accounting Standards Board.

Net Asset Classes – The School is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Net assets of the School are defined as:

- Unrestricted: All resources over which the governing board has discretionary control to use in carrying on the general operations of the School.
- Temporarily restricted: These net assets are restricted by donors to be used for specific purposes. The School does not currently have any temporarily restricted net assets.
- Permanently restricted: These net assets are permanently restricted by donors and cannot be used by the School. The School does not currently have any permanently restricted net assets.

Cash and Cash Equivalents – The School defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

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

Receivables – Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2017. Management believes that all receivables are fully collectible, therefore no provisions for uncollectible accounts were recorded.

Compensated Absences – The School does not allow employees to carryover unused vacation. Accordingly, there were no accumulated compensated absence benefits at June 30, 2017.

JEFFERSON RISE CHARTER SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue – The School's primary sources of funding are through the State Public School Fund and federal grants, as well as private donations. Federal grants are recorded on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as temporarily restricted. Restricted contributions that are received and released in the same period are reported as unrestricted revenue. Unconditional promises to give expected to be received in one year or less are recorded at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded at fair market value at the date of the promise. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Income Taxes – The School is a non-profit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The School files informational returns in the U.S. federal jurisdiction. The statute of limitations for federal purposes is generally three years.

Functional Allocation of Expenses – Costs of providing the School's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit.

Evaluation of Subsequent Events – The School has evaluated subsequent events through September 12, 2017, the date these financial statements were available to be issued.

NOTE 2: CONCENTRATION OF CREDIT RISK

The School maintains cash balances held in banks and revolving funds which are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). At times, cash in these accounts exceeds the insured amounts. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

JEFFERSON RISE CHARTER SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2017**

NOTE 3: EMPLOYEE RETIREMENT

Defined Contribution Plan

The School offers an Internal Revenue Code Section 403(b) retirement plan to each of its qualifying employees. Employer and employee contributions are used to purchase annuity contracts for each participant employee. Employer matching contributions are made as a percentage of elective deferrals for each employee who is eligible for employer contributions. Additionally, the employer may elect to make a discretionary contribution for each qualifying employee for each plan year. The amount of employer contributions used to purchase annuity contracts for the year ended June 30, 2017 was \$24,266.

NOTE 4: OPERATING LEASES

The School leases its facilities under several lease agreements where the last lease expires in June of 2019. Lease expense under these agreements for the year ended June 30, 2017 was \$133,200.

Future minimum lease payments are as follows:

Year Ended	
<u>June 30,</u>	
2018	\$ 134,400
2019	<u>134,400</u>
Total	<u>\$ 268,800</u>

NOTE 5: CONTINGENCIES

The School has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any required reimbursement would not be material.



**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
Jefferson RISE Charter School
Gretna, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Jefferson RISE Charter School (the School), a nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, cash flows and functional expenses for the year then ended, the related notes to the financial statements, and have issued our report thereon dated September 12, 2017.

Internal Control Over Financial Reporting

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

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

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

**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***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, CA

September 12, 2017

JEFFERSON RISE CHARTER SCHOOL

**SCHEDULE OF FINDINGS
For the Year Ended June 30, 2017**

There were no findings for the year ended June 30, 2017.

JEFFERSON RISE CHARTER SCHOOL
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2017

There were no findings for the year ended June 30, 2016.

JEFFERSON RISE CHARTER SCHOOL

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO THE AGENCY HEAD
For the Year Ended June 30, 2017**

Agency Head:

Kathleen Sullivan

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 92,700
Benefits - employer portion of retirement	2,781
Benefits - employer portion of medical/dental/vision	4,069
Travel	-
Cell phone reimbursement	-
Reimbursements	-
Conferences	-
Benefits - FICA Medicare	7,080
Other compensation-security	-
Community relations	-
Professional development	-
Total	<u>\$ 106,630</u>

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



**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Directors
Jefferson RISE Charter School
Gretna, LA

We have performed the procedures enumerated below, which were agreed to by Jefferson RISE Charter School (the School); the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the School for the fiscal year ended June 30, 2017; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin 126, in compliance with Louisiana Revised Statute 24:514 I. Management of the School is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly, based on description and nature of the revenue/expense, and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

Findings:

None.

**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule “Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers” (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.
3. We reconciled the combined total of principals and assistant principals per the schedule “Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers” (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced all teachers to the individual’s personnel file and determine if the individual’s education level was accurately classified on the schedule.

Findings:

None. There were no differences noted.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Findings:

None.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule and traced the same sample used in Procedure 4 to the individual’s personnel file and determined if the individual’s experience was accurately classified on the schedule.

Findings:

None.

Public School Staff Data: Average Salaries (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced all teachers to the individual’s personnel file and determined if the individual’s salary, extra compensation, and full-time equivalents were accurately included on the schedule.
8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Findings:

None.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in Procedure 5. We then traced all classes to the October 1st roll books for those classes and determined if the class was accurately classified on the schedule.

Findings:

None.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by (Any Parish School Board).

Findings:

Not applicable.

Graduation Exit Examination (GEE) (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School.

The Graduation Examination (GEE) is no longer administered. This schedule is no longer applicable.)

iLEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School.

Findings:

None.

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

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the (City or Parish School Board or Charter School), as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, CA

September 12, 2017

JEFFERSON RISE CHARTER SCHOOL

**GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES**

SCHEDULE 1

For the Year Ended June 30, 2017

<u>General Fund Instructional and Equipment Expenditures</u>	Column A	Column B
General fund instructional expenditures:		
Teacher and student interaction activities:		
Classroom teacher salaries	\$ 575,277	
Other instructional staff activities	189,205	
Instructional staff employee benefits	168,770	
Purchased professional and technical services	87,592	
Instructional materials and supplies	117,467	
Instructional equipment	<u>60,236</u>	
Total teacher and student interaction activities		<u>\$ 1,198,547</u>
Other instructional activities		<u>\$ -</u>
Pupil support services	\$ 33,627	
Less: Equipment for pupil support services	<u>-</u>	
Net pupil support services		<u>\$ 33,627</u>
Instructional staff services	\$ 13,698	
Less: Equipment for instructional staff services	<u>-</u>	
Net instructional staff services		<u>\$ 13,698</u>
School administration	\$ 165,156	
Less: Equipment for school administration	<u>-</u>	
Net school administration		<u>\$ 165,156</u>
Total general fund instructional expenditures (Total of Column B)		<u>\$ 1,411,028</u>
Total General fund equipment expenditures (Object 730; Functional Series 1000-4000)		<u>\$ 60,236</u>
 Local Revenue Sources		
Earnings on investments		
Interest on investments		\$ -
Other revenue from local sources		
Contributions and donations		90,438
Revenue from judgements / court orders		-
Miscellaneous revenues		
Other miscellaneous revenues		13,243
Total revenues from local sources		<u>\$ 103,681</u>
 Revenues from State Sources		
State unrestricted grants-in-aid		
State Public School Fund (MFP) - excluding School Lunch		2,281,961
State revenue for/on behalf of LEA		
Other revenue for/on behalf of LEA		<u>-</u>
Total local earnings on investment in real property		<u>\$ 2,281,961</u>
Revenue from federal sources		
Lunch Program		136,519
Title I		27,814
Total revenue from federal sources		<u>\$ 164,333</u>

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
SCHEDULE 2
For the Year Ended June 30, 2017**

Education Levels of Public School Staff
As of October 1, 2016

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree		0%		0%		0%		0%
Bachelor's Degree	3	75%	7	70%	1	33%	1	0%
Master's Degree	1	25%	3	30%	1	33%		0%
Master's Degree + 30		0%		0%		0%		0%
Specialist in Education		0%		0%		0%		0%
Pd.D or Ed. D		0%		0%	1	0%		0%
Total	4	100%	10	100%	3	67%	1	0%

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**NUMBER AND TYPE OF PUBLIC SCHOOLS
SCHEDULE 3
For the Year Ended June 30, 2017**

Number and Type of Public Schools
For the Year Ended June 30, 2017

Type	Number
Elementary	
Middle Jr. High	1
Secondary	
Combination	
Total	1

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**EXPERIENCE OF PUBLIC PRINCIPALS, ASSISTANT PRINCIPALS,
AND FULLTIME CLASSROOM TEACHERS**

SCHEDULE 4

For the Year Ended June 30, 2017

Experience of Public Principals, Assistant Principals, and Full time Classroom Teachers
As of October 1, 2016

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals		1	1		1			3
Principals			1					1
Classroom Teachers	3	5	4		2			14
Total	3	6	6	0	3	0	0	18

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**PUBLIC SCHOOL STAFF DATA: AVERAGE SALARIES
SCHEDULE 5
For the Year Ended June 30, 2017**

Public School Staff Data: Average Salaries
For the Year Ended June 30, 2017

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers Salary Including Extra Compensation	\$ 44,984.00	\$ 44,984.00
Average Classroom Teachers Salary Excluding Extra Compensation	\$ 44,506.00	\$ 44,506.00
Number of Teacher Full-time Equivalents (FTES) used in Computation of Average Salaries	18	18

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**CLASS SIZE CHARACTERISTICS
SCHEDULE 6
For the Year Ended June 30, 2017**

Class Size Characteristics
As of October 1, 2016

School Type	Class Size Range								
	1-20		21-26		27-33		34+		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Elementary									
Elementary Activity Class									
Middle High					8	100%			
Middle High Activity Class									
High									
High Activity Class									
Combination									
Combination Activity Class									

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP)
SCHEDULE 7
For the Year Ended June 30, 2017**

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts						Mathematics					
	2017		2016		2015		2017		2016		2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	Science						Social Studies					
	2017		2016		2015		2017		2016		2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts						Mathematics					
	2017		2016		2015		2017		2016		2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	Science						Social Studies					
	2017		2016		2015		2017		2016		2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**GRADUATION EXIT EXAM
SCHEDULE 8
For the Year Ended June 30, 2017**

The Graduation Exit Examination is no longer administered. The Schedule is no longer applicable.

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**iLEAP TESTS
SCHEDULE 9**

For the Year Ended June 30, 2017

Louisiana Educational Assessment Program (LEAP)

For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2017		2017		2017		2017	
Grade 3 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2017		2017		2017		2017	
Grade 5 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2017		2017		2017		2017	
Grade 6 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	3	0	0	0	4	0	N/A	N/A
Mastery	30	26%	16	14%	18	16%	N/A	N/A
Basic	52	45%	47	41%	51	44%	N/A	N/A
Approaching Basic	26	22%	43	37%	31	27%	N/A	N/A
Unsatisfactory	10	9%	15	13%	17	15%	N/A	N/A
Total	121	100%	121	100%	121	100%	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2017		2017		2017		2017	
Grade 7 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	5	0	1	0	3	0	N/A	N/A
Mastery	31	27%	11	9%	22	19%	N/A	N/A
Basic	38	33%	43	37%	53	46%	N/A	N/A
Approaching Basic	31	27%	46	40%	26	22%	N/A	N/A
Unsatisfactory	11	9%	15	13%	12	10%	N/A	N/A
Total	116	100%	116	100%	116	100%	N/A	N/A

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**iLEAP TESTS
SCHEDULE 9**

For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2016		2016		2016		2016	
Grade 3 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2016		2016		2016		2016	
Grade 5 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2016		2016		2016		2016	
Grade 6 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	2	0	1	0	0	0	N/A	N/A
Mastery	40	34%	13	11%	11	9%	N/A	N/A
Basic	45	39%	45	39%	54	47%	N/A	N/A
Approaching Basic	22	19%	49	42%	37	32%	N/A	N/A
Unsatisfactory	7	6%	8	7%	15	13%	N/A	N/A
Total	116	100%	116	100%	117	100%	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2016		2016		2016		2016	
Grade 7 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See Independent Accountant's Report on Agreed-Upon Procedures.

JEFFERSON RISE CHARTER SCHOOL

**iLEAP TESTS
SCHEDULE 9**

For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Grade 3 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Grade 5 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Grade 6 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Grade 7 Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Advanced	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See Independent Accountant's Report on Agreed-Upon Procedures.



**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Directors
Jefferson RISE Charter School
Gretna, LA

We have performed the procedures enumerated below, which were agreed to by Jefferson RISE Charter School (the School) and the Legislative Auditor, State of Louisiana, to assist the entity in complying with the requirements of the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year ended June 30, 2017. The School's management is responsible for compliance with these requirements. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

Written Policies and Procedures

1. CLA obtained Jefferson RISE Charter School's written policies and procedures and observed if those written policies and procedures addressed each of the following financial/business functions:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving
 - d) ***Receipts***, including receiving, recording, and preparing deposits
 - e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity’s ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) ***Debt Service***, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: The written policies and procedures addressed each of the above financial/business functions.

Board (or Finance Committee, if applicable)

- 2. CLA obtained and read the board/committee minutes for the fiscal period, and:
 - a) CLA observed that the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board’s enabling legislation, charter, or other equivalent document.
 - b) CLA observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity’s prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) CLA observed that the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results: The board minutes reviewed met with a quorum at least monthly. Those minutes referenced included monthly budget-to-actual comparisons on the General Fund and there was no deficit spending noted. The minutes observed also included non-budgetary financial information.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Bank Reconciliations

3. CLA obtained a listing of client bank accounts from management and management's representation that the listing is complete.
4. Using the listing provided by management, CLA selected all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). For each of the bank accounts selected, CLA obtained bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results: Bank reconciliations were prepared. Bank reconciliations included evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation. There were no reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**
 - a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
 - b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.
7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Results: Written documentation specifies that the persons responsible for collecting cash are covered by insurance policies. Due to the low amount of cash collection activity and the limited number of office personnel at the School, the responsibilities of depositing cash and reconciling the bank accounts are performed by the same individual but are separated from the collection of cash and the recording of transactions.

Written documentation specifies that the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

The selected highest dollar week of cash collections was traced to complete collection documentation, deposit slips, and bank statements. We traced daily collections to the deposit date on the corresponding bank statement and noted the deposits were not made within one day of collection due to the low amount of cash collection activity at the School.

Written documentation specifies that the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. CLA obtained a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. CLA obtained management's representation that the listing or general ledger population is complete.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

9. Using the disbursement population from #8 above, CLA randomly selected 25 disbursements, excluding credit card/debit card/fuel card/P-card purchases or payments and obtained supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and verified that the supporting documentation for each transaction demonstrated that:
- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Results: The sample purchases were initiated using a requisition/purchase order system that separates initiation from approval functions in the same manner as a requisition/purchase order system without exception. Sampled purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase. Payments for purchases were not processed without an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice, as applicable.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), CLA determined the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Results: Documentation obtained specified that person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), CLA determined whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Results: Documentation obtained specified that the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases, unless specifically authorized under certain board approved dollar thresholds.

12. CLA inquired of management and observed whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Results: Through management inquiry and observation the unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Results: The School does not use a signature stamp or signature machine.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. CLA obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. CLA obtained management's representation that the listing is complete.

Results: The School used one credit card for limited purchases and obtained management's representation that this was the only card in use.

15. Using the listing prepared by management, CLA randomly selected one-third of the cards that were used during the fiscal period, rotating cards each year.

CLA obtained the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. CLA selected the monthly statement or combined statement with the largest dollar activity for each card and:

- a) Observed there was evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.
- b) Observed no finance charges and/or late fees were assessed on the selected statements.

Results: CLA selected the single credit card used during the fiscal year. Monthly statements and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

16. Using the monthly statements or combined statements selected under #15 above, CLA obtained supporting documentation for all transactions for each of the cards selected.

- a) For each transaction, CLA observed the transaction was supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)

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- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
- b) For each transaction, CLA compared the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) without exception.
- c) For each transaction, CLA compared the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value without exception.

Results: For each transaction selected, CLA observed the transaction was supported by an original itemized receipt (i.e., identifies precisely what was purchased) and documentation of the business/public purpose and in compliance with the School's written purchasing/disbursement policies and the Louisiana Public Bid Law. No transactions were in violation of Article 7, Section 14 of the Louisiana Constitution.

Travel and Expense Reimbursement

17. CLA obtained the general ledger and sorted/filtered for travel reimbursements. CLA obtained management's representation that the listing or general ledger is complete.

Results: CLA obtained the general ledger and sorted/filtered for travel reimbursements. CLA obtained management's representation that the listing or general ledger is complete.

18. CLA obtained the entity's written policies related to travel and expense reimbursements and compared the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) without exception.

Results: CLA obtained written policies related to travel and expense reimbursements and compared the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) without exception.

19. Using the listing or general ledger from #17 above, CLA select the three persons who incurred the most travel costs during the fiscal period. CLA obtained the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and chose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) CLA compare expense documentation to written policies and determined that each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging).
- b) CLA observed that each expense is supported by:

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- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose and for meal charges, that there was also documentation of the individuals participating.
- c) CLA compared the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse) without exception.
- d) CLA observed each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: For each transaction selected of the three persons that incurred the most travel costs in the fiscal period, CLA compared expense documentation to written policies and determined that each expense was reimbursed or prepaid in accordance with written policy. CLA observed the transaction was supported by an original itemized receipt (i.e., identifies precisely what was purchased) and documentation of the business/public purpose and in compliance with the School's written purchasing/disbursement policies and the Louisiana Public Bid Law. No transactions were in violation of Article 7, Section 14 of the Louisiana Constitution. CLA observed each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

20. CLA obtained a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. CLA obtained management's representation that the listing or general ledger is complete.

Results: CLA obtained the general ledger and sorted/filtered for contract payments. CLA obtained management's representation that the general ledger is complete.

21. Using the listing above, CLA selected the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). CLA obtained the related contracts and paid invoices and:

- a) Observed if there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Observed each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

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- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) CLA selected the largest payment from each of the five contracts, obtained the supporting invoice, compared the invoice to the contract terms, and observed that the invoice and related payment complied with the terms and conditions of the contract.
- e) CLA obtained/reviewed contract documentation and board minutes and observed there was documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Results: For the contracts selected (solicited quotes as a best practice was used and no contracts were amended), CLA observed if there is a formal/written board approved contract that supports the services arrangement, and that no contracts were subject to the Louisiana Public Bid Law or Procurement Code.

Payroll and Personnel

22. CLA obtained a listing of employees (and elected officials, if applicable) with their related salaries, and obtained management's representation that the listing was complete. CLA randomly selected five employees/officials, obtained their personnel files, and:
- a) CLA reviewed compensation paid to each employee during the fiscal period and observed payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) CLA reviewed changes made to hourly pay rates/salaries during the fiscal period and observed those changes were approved in writing and in accordance with written policy.

Results: CLA obtained a list of employees (and elected officials, if applicable) with their related salaries, and obtained management's representation that the listing was complete. CLA randomly selected five employees/officials, obtained their personnel files, and noted that compensation paid to each employee during the fiscal period were made in strict accordance with the terms and conditions of the employment contract or pay rate structure. CLA noted that no changes were made to hourly pay rates/salaries during the fiscal period.

23. CLA obtained attendance and leave records and randomly selected one pay period in which leave has been taken by at least one employee. Within that pay period, CLA randomly selected one-third of employees/officials and:

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- a) Observed all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Results: CLA obtained attendance and leave records and noted that there were no employees that went on leave during the year.

24. CLA obtained from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. CLA selected the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtained the personnel files for the two employees/officials. CLA observed the termination payments were made in strict accordance with policy and/or contract and approved by management.

Results: CLA obtained a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. CLA observed that there were no employees terminated during the fiscal period. Employees or almost all teachers on annual contracts.

25. CLA obtained supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. CLA observed that the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results: CLA obtained supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period and observed that the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

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Other

31. CLA inquired of management and determined the entity had no any misappropriations of public funds or assets.

Results: CLA inquired of management and determined the entity had no any misappropriations of public funds or assets.

32. CLA observed that the entity has posted on its premises and website, the notice required by R.S. 24:523.1.

Results: CLA observed that the School has posted on its premises and website, the notice required by R.S. 24:523.1.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. CLA was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The report is intended solely for the use of management of the School, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

CliftonLarsonAllen LLP

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Glendora CA

September 12, 2017