

**InspireNOLA CHARTER SCHOOLS**

**FINANCIAL REPORT**

**For the Year Ended June 30, 2020**

# InspireNOLA CHARTER SCHOOLS

## TABLE OF CONTENTS

### FINANCIAL SECTION

Independent Auditor’s Report .....	1 - 2
------------------------------------	-------

#### Basic Financial Statements

Combining Statement of Financial Position.....	3
Combining Statement of Activities.....	4
Combining Statement of Functional Expenses.....	5
Combining Statement of Cash Flows.....	6
Notes to Financial Statements.....	7 - 14

#### Supplementary Information

Schedule of Compensation, Benefits, and Other Payments to the Agency Head.....	15
Combining Schedule of Financial Position.....	16
Combining Schedule of Activities.....	17 – 19
Combining Schedule of Functional Expenses.....	20 - 22

---

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 <i>Government Auditing Standards</i> .....	23 - 24
---	---------

---

### SINGLE AUDIT SECTION

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	25 - 26
Schedule of Expenditures of Federal Awards.....	27
Notes to Schedule of Expenditures of Federal Awards.....	28
Schedule of Findings and Questioned Costs.....	29 - 30
Summary Schedule of Prior Audit Findings and Questioned Costs.....	31

**PERFORMANCE STATISTICAL DATA**

**Schedules Required by State Law**

Independent Accountant’s Report on Applying Agreed-Upon Procedures .....	32 - 33
Schedule 1: General Fund Instructional and Support Expenditures and Certain Local Revenue Sources for the Year Ended June 30, 2018.....	34
Schedule 2: Class Size Characteristics.....	35

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

December 11, 2020

Board of Directors of  
**InspireNOLA Charter Schools**  
New Orleans, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying combining financial statements of InspireNOLA Charter Schools, ("InspireNOLA") (A Nonprofit Organization), which comprise the combining statement of financial position as of June 30, 2020, and the related combining statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

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

appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the combining financial statements referred to above present fairly, in all material respects, the financial position of InspireNOLA Charter Schools, as of June 30, 2020, 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 combining financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to the agency head, the combining schedules of financial position, activities and functional expenses and the schedule of expenditures of federal awards, as required by Title 2 U.S *Code Of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the combining 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 11, 2020 on our consideration of InspireNOLA'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 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 InspireNOLA's internal control over financial reporting and compliance.

*Hienz & Mavaluso, LLP*  
Metairie, LA

## **BASIC FINANCIAL STATEMENTS**

**InspireNOLA CHARTER SCHOOLS**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2020**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 8,358,141
Investments	904,935
Grants receivable	3,270,261
Other receivables	66,940
Due from pooled cash	-
Prepaid expenses	455,082
Deposits	95,967
Total Current Assets	<u>\$ 13,151,326</u>

**PROPERTY AND EQUIPMENT**

Building and improvements	66,784
Office equipment	40,821
Construction in progress	233,250
Less: accumulated depreciation	(102,953)
Total Property and Equipment, Net	<u>237,902</u>

Total Assets	<u><u>13,389,228</u></u>
--------------	--------------------------

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	1,691,466
Accrued expenses	3,070,757
Due to pooled cash	-
Total Current Liabilities	<u>4,762,223</u>

**LONG-TERM LIABILITIES**

Loans payable	<u>325,000</u>
Total Long-Term Liabilities	<u>325,000</u>

Total Liabilities	<u><u>5,087,223</u></u>
-------------------	-------------------------

**NET ASSETS**

Net assets without donor restrictions	6,614,007
Net assets with donor restrictions	<u>1,687,998</u>
Total Net Assets	<u>8,302,005</u>

Total Liabilities and Net Assets	<u><u>\$ 13,389,228</u></u>
----------------------------------	-----------------------------

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

**InspireNOLA CHARTER SCHOOLS**  
**COMBINING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>REVENUES</b>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
State public school funding	\$ 50,035,202	\$ -	\$ 50,035,202
Federal grants	-	10,620,298	10,620,298
Other state funding	6,945	423,881	430,826
Donations and contributions	156,098	695,000	851,098
Other income	966,439	2,542,757	3,509,196
Net assets released from restrictions	13,619,288	(13,619,288)	-
<b>Total Revenues</b>	<u>64,783,972</u>	<u>662,648</u>	<u>65,446,620</u>
 <b>EXPENSES</b>			
<b>Program services</b>			
Regular educational programs	17,508,591	-	17,508,591
Special education programs	5,059,827	-	5,059,827
Career and technical education programs	1,135,957	-	1,135,957
Other instructional programs	2,601,780	-	2,601,780
Special programs	2,867,756	-	2,867,756
Pupil support services	4,257,579	-	4,257,579
Instructional staff services	3,281,720	-	3,281,720
School administration	7,831,506	-	7,831,506
Student transportation services	4,029,216	-	4,029,216
Operation and maintenance of plant	5,810,426	-	5,810,426
Food service operations	2,630,579	-	2,630,579
<b>Management and general</b>			
Business administration	1,519,812	-	1,519,812
Central services	2,063,736	-	2,063,736
General administration	879,701	-	879,701
<b>Total Expenses</b>	<u>61,478,186</u>	<u>-</u>	<u>61,478,186</u>
 Change in Net Assets	 3,305,786	 662,648	 3,968,434
 Net Assets, Beginning of Year	 <u>3,308,221</u>	 <u>1,025,350</u>	 <u>4,333,571</u>
 Net Assets, End of Year	 <u>\$ 6,614,007</u>	 <u>\$ 1,687,998</u>	 <u>\$ 8,302,005</u>

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

**InspireNOLA CHARTER SCHOOLS**  
**COMBINING STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<b>PROGRAM SERVICES</b>	<b>SUPPORT SERVICES</b>	<b>Total</b>
	<u>Instructional</u>	<u>Management and General</u>	
Salaries	\$ 29,932,145	\$ 1,824,802	\$ 31,756,947
Retirement	7,619,824	477,116	8,096,940
Transportation	4,036,266	-	4,036,266
Food service management	3,447,996	-	3,447,996
Other employee benefits	2,656,064	166,552	2,822,616
Supplies	1,889,845	251,009	2,140,854
Professional services	563,711	514,529	1,078,240
Repairs and maintenance	1,161,746	498	1,162,244
Custodial services	886,155	1,433	887,588
Insurance	688,376	296,711	985,087
Dues and fees	1,002,461	35,434	1,037,895
Rent	630,672	206,786	837,458
Communications	757,234	226,838	984,072
Payroll taxes	540,633	30,559	571,192
Miscellaneous	529,908	226,121	756,029
Seminars and conferences	27,977	61,368	89,345
Lawncare	108,091	-	108,091
Security	151,790	2,886	154,676
Advertising	-	16,872	16,872
Furniture and fixtures	869	-	869
Printing and binding	215,752	12,753	228,505
Legal	9,449	61,991	71,440
Utilities	14,908	-	14,908
Disposal	37,852	-	37,852
Accounting	-	16,775	16,775
Mileage allowance	19,226	18,774	38,000
Travel	-	28	28
Postage and freight	3,333	3,976	7,309
Interest	-	3,250	3,250
Depreciation	82,654	6,188	88,842
	<u>\$ 57,014,937</u>	<u>\$ 4,463,249</u>	<u>\$ 61,478,186</u>

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

**InspireNOLA CHARTER SCHOOLS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$ 3,968,434
Adjustments to reconcile change in net assets to to net cash provided by operating activities:	
Depreciation	88,842
(Increase) decrease in current assets:	
Grants receivable	(187,254)
Other receivables	143,824
Due from pooled cash	(3,057,245)
Prepaid expenses	46,963
Deposits	(17,058)
Increase (decrease) in current liabilities:	
Accounts payable	(1,339,514)
Accrued expenses	314,707
Due to pooled cash	3,057,245
Due to other agencies	-
Net cash provided by operating activities	<u>\$ 3,018,944</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Sale of investments	(122,565)
Purchase of property and equipment	<u>(233,252)</u>
Net cash used by investing activities	<u>(355,817)</u>

Net increase in cash and cash equivalents	2,663,127
Cash and cash equivalents, beginning of year	<u>5,695,014</u>
Cash and cash equivalents, end of year	<u><u>\$ 8,358,141</u></u>

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

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

The Orleans Parish School Board (“OPSB”) authorized by the Charter School Demonstration Programs Law and approved by the State Board of Elementary and Secondary Education (“BESE”), granted to InspireNOLA, a nonprofit organization organized under the laws of the State of Louisiana and exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, charters to operate the schools below. As authorized by the operating agreement between OPSB and InspireNOLA, InspireNOLA operates the following schools through these dates:

Andrew Wilson Charter School	June 30, 2021
McDonogh 42 Elementary Charter School	June 30, 2022
Eleanor McMain Secondary School	June 30, 2022
Dwight D. Eisenhower Charter School	June 30, 2023
McDonogh 35 Senior High School	June 30, 2024
Alice M. Harte Elementary School	June 30, 2028
Edna Karr Senior High	June 30, 2028

***Basis of Accounting***

The combining financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

***Basis of Presentation***

InspireNOLA follows the provisions of the Not-For-Profit Entities Topic of Financial Accounting Standards Board Accounting Standards Codification 958, which establishes external financial reporting for not-for-profit organizations which includes classification of resources into two separate classes of net assets, as follows:

- Net assets without donor restrictions – limited only by the broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws and limits resulting from contractual agreements with suppliers, creditors, and others entered into by the organization in the course of its business.
- Net assets with donor restrictions – net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or programmatic purposes specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. At June 30, 2020, net assets with restrictions totaled \$1,687,998.

***Estimates***

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

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

***Cash Equivalents***

For the purpose of the combining statement of cash flows, InspireNOLA considers all unrestricted highly-liquid investments with an initial maturity of less than three months to be cash and cash equivalents.

***Receivables***

Grants and other receivables are stated at the amount management expects to collect from balances outstanding at year-end. Management closely monitors outstanding balances and writes off any balances that are deemed uncollectible and therefore does not record an allowance for doubtful accounts.

***Property and Equipment***

Property and equipment are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated property and equipment is recorded at fair value as of the date received. InspireNOLA maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not. Depreciation is computed using the straight-line method over the following useful lives:

Buildings and improvements	27 years
Office equipment	5 years

For the year ended June 30, 2020, depreciation expense was \$88,842.

Assets acquired with Louisiana Department of Education (LDOE) funds are owned by InspireNOLA while used in the purpose for which it was purchased. The LDOE however, has a reversionary interest in these assets. Should a charter not be renewed, title in any assets purchased with these funds will revert to the appropriate agency.

***Public Support and Revenue***

InspireNOLA utilizes the guidance in Accounting Standards Update (“ASU”) 2018-08 in the assessment of whether revenue is an exchange transaction (contract) or contribution (non-contract) and considers factors including commensurate value received, reciprocity, and donor-imposed conditions.

Revenues from federal and state grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized when InspireNOLA has met the performance requirements and/or incurred expenditures in compliance with certain grant provisions. Amounts received prior to incurring qualified expenditures are reported as refundable advances in the combining statement of financial position. InspireNOLA recognized as revenue all funds related to these grants during the year ended June 30, 2020.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Public Support and Revenue (continued)***

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combining statements of activities as net assets released from restrictions.

***Income Tax Status***

InspireNOLA is a Louisiana non-profit organization recognized by the Internal Revenue Service as a Section 501(c) (3) tax-exempt organization. An IRS Form 990, Return of Organization Exempt from Income Tax, must be filed annually. InspireNOLA believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that require adjustment to the financial statements. Penalties and interest, if any, would be included in income tax expense.

InspireNOLA's federal Form 990 for 2016 through 2018 is subject to examination by the IRS, generally for three years after it was filed. As of the date of this report, an extension has been filed for the 2019 Form 990, which is for the fiscal year ended June 30, 2020.

***Recently Issued Accounting Standards***

In June 2018, the FASB issued ASU No. 2018-08, "Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made". ASU No. 2018-08 should assist entities in (1) evaluation whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This new guidance is effective for fiscal years beginning after December 15, 2018. InspireNOLA has adopted the provisions of ASU No. 2018-08 effective July 1, 2019. The implementation of this new standard did not have a material impact on the measurement or recognition of revenue.

**NOTE 2 – CONCENTRATIONS**

InspireNOLA maintains its cash balances at various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution for the year ending June 30, 2020. At times during the year, balances may exceed the FDIC insured amount. For the year ended June 30, 2020, InspireNOLA received approximately 93% of its total revenues from Federal and State grantors.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 3 – RETIREMENT PLAN**

Certain employees of InspireNOLA participate in the Teachers’ Retirement System of Louisiana (TRSL). The TRSL is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

*Plan Description*

The TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit are required to become vested for retirement benefits and five years for disability and survivor benefits. Benefits are established and amended by state statute. The TRSL issues a publically available financial report that includes financial statements and required supplementary information for the TRSL. That report may be obtained by writing to the Teachers’ Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123.

*Funding Policy*

Plan members are required to contribute 8% of their annual covered salary. InspireNOLA is required to contribute at an actuarially determined rate. The rate is 26.0% of annual eligible contributions for the TRSL and is established by state law, and rates are established by the Public Retirement System’s Actuarial Committee. InspireNOLA’s contributions to the plan for the year ended June 30, 2020 were \$8,096,940.

**NOTE 4 – INTERFUND RECEIVABLES AND PAYABLES**

InspireNOLA uses a pooled cash account to track interfund receivables and payables. Due to/from pooled cash balances at June 30, 2020 are as follows:

<u>Due from Pooled Cash</u>	<u>Amount</u>	<u>Due to Pooled Cash</u>	<u>Amount</u>
School Support Center	\$ 2,505,309	School Support Center	\$ 8,272,512
Harte	2,459,808	Harte	393,746
Karr	3,246,214	Karr	527,785
Wilson	442,287	Wilson	187,983
Inspire 42	480,215	Inspire 42	134,779
McMain	668,921	McMain	252,536
Eisenhower	544,872	Eisenhower	247,521
McDonogh 35	144,332	McDonogh 35	125,211
Pierre Capdau	56,478	Pierre Capdau	-
McDonogh 35 OPSB	97,775	McDonogh 35 OPSB	504,138
	<u>\$ 10,646,211</u>		<u>\$ 10,646,211</u>

The above due to/from other funds were short-term receivables or payables resulting from the normal course of InspireNOLA’s operations.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 5 – INTERFUND TRANSFERS**

InspireNOLA’s transfers in (out) consist of interfund activity for the School Support Center allocation and indirect costs transfers.

<u>Transfer In</u>	<u>Amount</u>	<u>Transfer Out</u>	<u>Amount</u>
School Support Center	\$ 6,434,447	School Support Center	\$ 2,714,621
Harte	69,436	Harte	1,150,712
Karr	366,777	Karr	1,973,661
Wilson	51,478	Wilson	843,726
Inspire 42	1,548,684	Inspire 42	556,676
McMain	1,415,126	McMain	1,363,997
Eisenhower	45,544	Eisenhower	824,727
McDonogh 35	214,544	McDonogh 35	431,464
Pierre Capdau	260	Pierre Capdau	-
McDonogh 35 OPSB	<u>51,252</u>	McDonogh 35 OPSB	<u>337,964</u>
	<u>\$ 10,197,548</u>		<u>\$ 10,197,548</u>

The above interfund transfers are resulting from the normal course of InspireNOLA’s operations and the charter agreement between InspireNOLA and New Orleans Public Schools.

**NOTE 6 – CONTINGENT LIABILITIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claim, including amounts already collected, may constitute a liability of the applicable funds.

InspireNOLA occupies office space under a lease with the Orleans Parish School Board. The lease was amended to expand the space effective August 1, 2020. The following schedule provides the annual payments due for subsequent years:

June 30, 2021	\$ 133,212
June 30, 2022	<u>11,101</u>
Total lease payments	<u>\$ 144,313</u>

**NOTE 7 – RISK MANAGEMENT**

InspireNOLA is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, employee health and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes as of June 30, 2020:

Education Excellence	\$ 78,790
Jazz & Heritage In-School Educational Programs	2,294
Personalized Learning Pilot Grant - NSNO	27,298
Charter School Growth Fund	473,069
Youth Force	19,152
Schwab Foundation	100,000
Instructional Quality Initiative	54,366
Start-Up and Scaling Expense	70,321
Share our Strength	5,000
Charter School Growth Fund COVID Support	20,000
NSNO - Capdau	14,351
Schwab Foundation - COVID	12,680
NSNO - COVID	72,410
IQI - Round 5	80,000
IQI - Round 6	40,000
Walton - ADE Award	463,957
ADE - NSNO	15,000
ADE - Schwab	39,310
City Fund	100,000
	<u>\$ 1,687,998</u>

**NOTE 9 – LIQUIDITY AND AVAILABILITY OF RESOURCES**

At June 30, 2020, InspireNOLA has financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of the following:

Cash and cash equivalents	\$ 8,358,141
Investments	904,935
Grants receivable	3,270,261
Other receivables	66,940
	<u>\$ 12,600,277</u>

None of the financial assets above are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. InspireNOLA's objective is to maintain liquid financial assets without donor restrictions sufficient to cover 60 days of operating expenses. InspireNOLA regularly monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources of InspireNOLA. In addition, InspireNOLA operates with a budget and monitors sources and uses of funds throughout the year by comparing budget to actual operating expenses.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 10 – LOANS PAYABLE**

A nonprofit organization has provided three unsecured loans totaling \$325,000 for startup operations of InspireNOLA’s schools. The loans all bear interest at 1% and principal and accrued interest are payable in full upon maturity. Interest expense totaled \$3,774 for the year ended June 30, 2019. Additional information regarding the loans is as follows:

<u>Maturity Date</u>	<u>Original Amount</u>	<u>Balance</u>	<u>Interest Accrued</u>
June 17, 2022	\$ 125,000	\$ 125,000	\$ 6,253
June 30, 2023	100,000	100,000	2,117
June 28, 2024	100,000	<u>100,000</u>	<u>1,158</u>
Balance at June 30, 2020		<u>\$ 325,000</u>	<u>\$ 9,528</u>

Maturities of loans payable are as follows for the years ended June 30:

2021	\$ -
2022	125,000
2023	100,000
2024	100,000
2025	<u>-</u>
	<u>\$ 325,000</u>

**NOTE 11 – INVESTMENTS**

InspireNOLA invests in LAMP, which is administered by LAMP, Inc. a non-profit corporation incorporated in the State of Louisiana. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955. The investment in LAMP is valued at fair value, which is determined weekly by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. At June 30, 2020, InspireNOLA’s investment in LAMP totaled \$794,935. InspireNOLA also has invested in a certificate of deposit valued at \$110,000 at June 30, 2020. Interest income earned for the year ended June 30, 2020 was \$60,747.

**NOTE 12 – FUNCTIONAL EXPENSE**

As required by FASB Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) — Presentation of Financial Statements of Not-for-Profit Entities, InspireNOLA has presented a combining statement of functional expenses as part of its financial statements. Any costs related to activities that constitute direct conduct or direct supervision of program services are classified as program expenses. Any costs related to administration are functionally classified as supporting service expenses. The financial statements of InspireNOLA report certain categories of expenses that are attributable to more than one program or supporting function. The costs of providing the various programs and other activities have been summarized on a functional basis in the combining statement of functional expenses.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 12 – FUNCTIONAL EXPENSE (CONTINUED)**

Salaries and employee benefits have been allocated based on time and effort. All other allocated expenses have been allocated based on actual expenses incurred.

**NOTE 13 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 11, 2020, and determined that other than the matter discussed below, there were no other events that occurred that require additional disclosure. No events after this date have been evaluated for inclusion in the financial statements.

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic. The COVID-19 pandemic has negatively impacted the global and domestic economy and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic on Inspire NOLA's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on Inspire NOLA's donors, students, employees and vendors, all of which are uncertain and cannot be predicted.

**InspireNOLA CHARTER SCHOOLS  
SCHEDULE OF COMPENSATION, BENEFITS,  
AND OTHER PAYMENTS TO THE AGENCY HEAD  
FOR THE YEAR ENDED JUNE 30, 2020**

Agency Head Name: Jamar McKneely

Agency Head Name: Jamar McKneely

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 210,000
Other Compensation	42,300
Benefits - Employer portion of TRSL	66,573
Car allowance	3,750
Travel	2,461
Benefits - Employer portion of Medical	7,459
Benefits - Employer portion of Life	820
Communications	226
Reimbursements	<u>1,296</u>
	<u><u>\$ 334,885</u></u>

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS**  
**SUPPLEMENTARY INFORMATION**  
**COMBINING SCHEDULE OF FINANCIAL POSITION**  
**JUNE 30, 2020**

	School Support Center	Harte	Karr	Wilson	Inspire 42	McMain	Eisenhower	McDonogh 35	Pierre Capdau	McDonogh 35 OPSB	Interfund Eliminations	Totals
<b>ASSETS</b>												
<b>CURRENT ASSETS</b>												
Cash and cash equivalents	\$ 8,305,040	\$ 53,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,358,141
Investments	794,935	110,000	-	-	-	-	-	-	-	-	-	904,935
Grants receivable	54,244	357,059	652,719	210,328	251,294	395,121	254,161	591,197	-	504,138	-	3,270,261
Other receivables	6,042	16,549	8,856	3,192	12,804	11,385	6,256	2,234	-	(378)	-	66,940
Due from pooled cash	2,505,309	2,459,808	3,246,214	442,287	480,215	668,921	544,872	144,332	56,478	97,775	(10,646,211)	-
Prepaid expenses	330,910	9,740	29,739	8,619	6,107	32,245	10,041	15,905	7,567	4,209	-	455,082
Deposits	-	12,944	17,058	22,178	19,679	24,108	-	-	-	-	-	95,967
Total Current Assets	<u>11,996,480</u>	<u>3,019,201</u>	<u>3,954,586</u>	<u>686,604</u>	<u>770,099</u>	<u>1,131,780</u>	<u>815,330</u>	<u>753,668</u>	<u>64,045</u>	<u>605,744</u>	<u>(10,646,211)</u>	<u>13,151,326</u>
<b>PROPERTY AND EQUIPMENT</b>												
Building and improvements	-	-	66,784	-	-	-	-	-	-	-	-	66,784
Office equipment	13,775	-	23,794	3,252	-	-	-	-	-	-	-	40,821
Construction in progress	-	-	233,250	-	-	-	-	-	-	-	-	233,250
Less: accumulated depreciation	(9,377)	-	(90,578)	(2,998)	-	-	-	-	-	-	-	(102,953)
Total Property and Equipment, Net	<u>4,398</u>	<u>-</u>	<u>233,250</u>	<u>254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237,902</u>
Total Assets	<u>12,000,878</u>	<u>3,019,201</u>	<u>4,187,836</u>	<u>686,858</u>	<u>770,099</u>	<u>1,131,780</u>	<u>815,330</u>	<u>753,668</u>	<u>64,045</u>	<u>605,744</u>	<u>(10,646,211)</u>	<u>13,389,228</u>
<b>LIABILITIES AND NET ASSETS</b>												
<b>CURRENT LIABILITIES</b>												
Accounts payable	401,521	66,854	463,354	73,425	297,954	188,017	41,586	120,756	3,269	34,730	-	1,691,466
Accrued expenses	172,193	411,294	594,108	381,946	291,576	490,055	415,388	258,961	26,426	28,810	-	3,070,757
Due to pooled cash	8,272,512	393,746	527,785	187,983	134,779	252,536	247,521	125,211	-	504,138	(10,646,211)	-
Total Current Liabilities	<u>8,846,226</u>	<u>871,894</u>	<u>1,585,247</u>	<u>643,354</u>	<u>724,309</u>	<u>930,608</u>	<u>704,495</u>	<u>504,928</u>	<u>29,695</u>	<u>567,678</u>	<u>(10,646,211)</u>	<u>4,762,223</u>
<b>LONG-TERM LIABILITIES</b>												
Loans payable	325,000	-	-	-	-	-	-	-	-	-	-	325,000
Total Long-Term Liabilities	<u>325,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>325,000</u>
Total Liabilities	<u>9,171,226</u>	<u>871,894</u>	<u>1,585,247</u>	<u>643,354</u>	<u>724,309</u>	<u>930,608</u>	<u>704,495</u>	<u>504,928</u>	<u>29,695</u>	<u>567,678</u>	<u>(10,646,211)</u>	<u>5,087,223</u>
<b>NET ASSETS</b>												
Without donor restrictions	1,533,226	2,098,010	2,535,154	25,607	5,162	138,755	\$ 71,608	\$ 168,419	\$ -	\$ 38,066	-	6,614,007
With donor restrictions	1,296,426	49,297	67,435	17,897	40,628	62,417	39,227	80,321	34,350	-	-	1,687,998
Total Net Assets	<u>2,829,652</u>	<u>2,147,307</u>	<u>2,602,589</u>	<u>43,504</u>	<u>45,790</u>	<u>201,172</u>	<u>110,835</u>	<u>248,740</u>	<u>34,350</u>	<u>38,066</u>	<u>-</u>	<u>8,302,005</u>
Total Liabilities and Net Assets	<u>\$ 12,000,878</u>	<u>\$ 3,019,201</u>	<u>\$ 4,187,836</u>	<u>\$ 686,858</u>	<u>\$ 770,099</u>	<u>\$ 1,131,780</u>	<u>\$ 815,330</u>	<u>\$ 753,668</u>	<u>\$ 64,045</u>	<u>\$ 605,744</u>	<u>\$ (10,646,211)</u>	<u>\$ 13,389,228</u>

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS  
SUPPLEMENTARY INFORMATION  
COMBINING SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

	School Support Center			Harte			Karr			Wilson		
	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total
<b>REVENUES</b>												
State public school funding	\$ -	\$ -	\$ -	\$ 7,304,385	\$ -	\$ 7,304,385	\$ 10,937,795	\$ -	\$ 10,937,795	\$ 6,762,202	\$ -	\$ 6,762,202
Federal grants	-	380,233	380,233	-	1,524,906	1,524,906	-	1,727,774	1,727,774	-	1,417,589	1,417,589
Other state funding	-	-	-	-	140,150	140,150	1,377	53,862	55,239	-	83,810	83,810
Donations and contributions	153,598	575,000	728,598	-	20,000	20,000	-	10,000	10,000	-	10,000	10,000
Other income	6,502,094	1,036,204	7,538,298	147,853	15,603	163,456	315,320	87,335	402,655	11,702	47,496	59,198
Net assets released from restrictions	1,444,860	(1,444,860)	-	1,697,927	(1,697,927)	-	1,907,739	(1,907,739)	-	1,551,392	(1,551,392)	-
<b>Total Revenues</b>	<b>8,100,552</b>	<b>546,577</b>	<b>8,647,129</b>	<b>9,150,165</b>	<b>2,732</b>	<b>9,152,897</b>	<b>13,162,231</b>	<b>(28,768)</b>	<b>13,133,463</b>	<b>8,325,296</b>	<b>7,503</b>	<b>8,332,799</b>
<b>EXPENSES</b>												
<b>Program services</b>												
Regular educational programs	-	-	-	2,501,514	-	2,501,514	3,995,196	-	3,995,196	2,276,488	-	2,276,488
Special education programs	20,115	-	20,115	888,985	-	888,985	1,052,238	-	1,052,238	547,634	-	547,634
Career and technical education programs	-	-	-	-	-	-	521,250	-	521,250	-	-	-
Other instructional programs	857	-	857	329,675	-	329,675	612,188	-	612,188	190,742	-	190,742
Special programs	-	-	-	629,618	-	629,618	113,335	-	113,335	700,167	-	700,167
Pupil support services	454,917	-	454,917	436,482	-	436,482	847,914	-	847,914	639,425	-	639,425
Instructional staff services	1,718,891	-	1,718,891	142,299	-	142,299	342,968	-	342,968	233,027	-	233,027
School administration	3,469,915	-	3,469,915	1,953,714	-	1,953,714	3,260,299	-	3,260,299	1,766,800	-	1,766,800
Student transportation services	-	-	-	451,612	-	451,612	670,173	-	670,173	567,659	-	567,659
Operation and maintenance of plant	234,117	-	234,117	642,953	-	642,953	943,712	-	943,712	555,213	-	555,213
Food service operations	-	-	-	559,374	-	559,374	466,040	-	466,040	365,657	-	365,657
<b>Management and general</b>												
Business administration	761,147	-	761,147	112,257	-	112,257	205,630	-	205,630	83,607	-	83,607
Central services	1,060,026	-	1,060,026	146,335	-	146,335	141,886	-	141,886	124,265	-	124,265
General administration	602,911	-	602,911	44,369	-	44,369	61,176	-	61,176	40,868	-	40,868
<b>Total Expenses</b>	<b>8,322,896</b>	<b>-</b>	<b>8,322,896</b>	<b>8,839,187</b>	<b>-</b>	<b>8,839,187</b>	<b>13,234,005</b>	<b>-</b>	<b>13,234,005</b>	<b>8,091,552</b>	<b>-</b>	<b>8,091,552</b>
Change in Net Assets	(222,344)	546,577	324,233	310,978	2,732	313,710	(71,774)	(28,768)	(100,542)	233,744	7,503	241,247
Net Assets, Beginning of Year	1,755,570	749,849	2,505,419	1,787,032	46,565	1,833,597	2,606,928	96,203	2,703,131	(208,137)	10,394	(197,743)
Net Assets, End of Year	\$ 1,533,226	\$ 1,296,426	\$ 2,829,652	\$ 2,098,010	\$ 49,297	\$ 2,147,307	\$ 2,535,154	\$ 67,435	\$ 2,602,589	\$ 25,607	\$ 17,897	\$ 43,504

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS  
SUPPLEMENTARY INFORMATION  
COMBINING SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

	Inspire 42			McMain			Eisenhower			McDonogh 35		
	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total
<b>REVENUES</b>												
State public school funding	\$ 4,832,371	\$ -	\$ 4,832,371	\$ 9,353,135	\$ -	\$ 9,353,135	\$ 6,543,678	\$ -	\$ 6,543,678	\$ 1,733,660	\$ -	\$ 1,733,660
Federal grants	-	1,108,380	1,108,380	-	1,564,977	1,564,977	-	1,668,993	1,668,993	-	744,038	744,038
Other state funding	-	63,928	63,928	1,437	36,345	37,782	-	29,056	29,056	4,131	-	4,131
Donations and contributions	-	20,000	20,000	-	10,000	10,000	-	20,000	20,000	2,500	10,000	12,500
Other income	1,294,167	330,289	1,624,456	728,150	724,578	1,452,728	8,607	41,937	50,544	1,173,331	196,407	1,369,738
Net assets released from restrictions	1,516,697	(1,516,697)	-	2,330,857	(2,330,857)	-	1,720,996	(1,720,996)	-	900,124	(900,124)	-
<b>Total Revenues</b>	<b>7,643,235</b>	<b>5,900</b>	<b>7,649,135</b>	<b>12,413,579</b>	<b>5,043</b>	<b>12,418,622</b>	<b>8,273,281</b>	<b>38,990</b>	<b>8,312,271</b>	<b>3,813,746</b>	<b>50,321</b>	<b>3,864,067</b>
<b>EXPENSES</b>												
<b>Program services</b>												
Regular educational programs	1,785,340	-	1,785,340	2,931,070	-	2,931,070	2,385,286	-	2,385,286	710,707	-	710,707
Special education programs	379,010	-	379,010	984,354	-	984,354	730,939	-	730,939	202,894	-	202,894
Career and technical education programs	-	-	-	545,766	-	545,766	-	-	-	37,386	-	37,386
Other instructional programs	139,517	-	139,517	579,928	-	579,928	177,279	-	177,279	309,580	-	309,580
Special programs	489,579	-	489,579	157,810	-	157,810	647,809	-	647,809	18,222	-	18,222
Pupil support services	314,014	-	314,014	609,351	-	609,351	470,020	-	470,020	136,169	-	136,169
Instructional staff services	63,954	-	63,954	233,674	-	233,674	273,775	-	273,775	98,758	-	98,758
School administration	1,297,639	-	1,297,639	2,709,867	-	2,709,867	1,642,454	-	1,642,454	1,027,826	-	1,027,826
Student transportation services	442,387	-	442,387	843,885	-	843,885	484,658	-	484,658	266,668	-	266,668
Operation and maintenance of plant	970,817	-	970,817	904,778	-	904,778	527,039	-	527,039	444,232	-	444,232
Food service operations	267,303	-	267,303	368,368	-	368,368	327,048	-	327,048	276,789	-	276,789
<b>Management and general</b>												
Business administration	83,087	-	83,087	138,714	-	138,714	88,308	-	88,308	2,134	-	2,134
Central services	126,900	-	126,900	170,058	-	170,058	148,001	-	148,001	50,584	-	50,584
General administration	-	-	-	50,644	-	50,644	41,228	-	41,228	13,118	-	13,118
<b>Total Expenses</b>	<b>6,359,547</b>	<b>-</b>	<b>6,359,547</b>	<b>11,228,267</b>	<b>-</b>	<b>11,228,267</b>	<b>7,943,844</b>	<b>-</b>	<b>7,943,844</b>	<b>3,595,067</b>	<b>-</b>	<b>3,595,067</b>
Change in Net Assets	1,283,688	5,900	1,289,588	1,185,312	5,043	1,190,355	329,437	38,990	368,427	218,679	50,321	269,000
Net Assets, Beginning of Year	(1,278,526)	34,728	(1,243,798)	(1,046,557)	57,374	(989,183)	(257,829)	237	(257,592)	(50,260)	30,000	(20,260)
Net Assets, End of Year	\$ 5,162	\$ 40,628	\$ 45,790	\$ 138,755	\$ 62,417	\$ 201,172	\$ 71,608	\$ 39,227	\$ 110,835	\$ 168,419	\$ 80,321	\$ 248,740

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS  
SUPPLEMENTARY INFORMATION  
COMBINING SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

	Pierre Capdau			McDonogh 35 OPSB			Interfund Eliminations	Combined Totals
	Net Assets Without Restrictions	Net Assets With Restrictions	Total	Net Assets Without Restrictions	Net Assets With Restrictions	Total		
<b>REVENUES</b>								
State public school funding	\$ -	\$ -	\$ -	\$ 2,567,976	\$ -	\$ 2,567,976	\$ -	\$ 50,035,202
Federal grants	-	-	-	-	483,408	483,408	-	10,620,298
Other state funding	-	-	-	-	16,730	16,730	-	430,826
Donations and contributions	-	20,000	20,000	-	-	-	-	851,098
Other income	-	62,760	62,760	982,763	148	982,911	(10,197,548)	3,509,196
Net assets released from restrictions	48,410	(48,410)	-	500,286	(500,286)	-	-	-
<b>Total Revenues</b>	<b>48,410</b>	<b>34,350</b>	<b>82,760</b>	<b>4,051,025</b>	<b>-</b>	<b>4,051,025</b>	<b>(10,197,548)</b>	<b>65,446,620</b>
<b>EXPENSES</b>								
<b>Program services</b>								
Regular educational programs	2,648	-	2,648	920,342	-	920,342	-	17,508,591
Special education programs	927	-	927	252,731	-	252,731	-	5,059,827
Career and technical education programs	-	-	-	31,555	-	31,555	-	1,135,957
Other instructional programs	-	-	-	262,014	-	262,014	-	2,601,780
Special programs	-	-	-	111,216	-	111,216	-	2,867,756
Pupil support services	-	-	-	349,287	-	349,287	-	4,257,579
Instructional staff services	-	-	-	174,374	-	174,374	-	3,281,720
School administration	44,527	-	44,527	856,013	-	856,013	(10,197,548)	7,831,506
Student transportation services	-	-	-	302,174	-	302,174	-	4,029,216
Operation and maintenance of plant	308	-	308	587,257	-	587,257	-	5,810,426
Food service operations	-	-	-	-	-	-	-	2,630,579
<b>Management and general</b>								
Business administration	-	-	-	44,928	-	44,928	-	1,519,812
Central services	-	-	-	95,681	-	95,681	-	2,063,736
General administration	-	-	-	25,387	-	25,387	-	879,701
<b>Total Expenses</b>	<b>48,410</b>	<b>-</b>	<b>48,410</b>	<b>4,012,959</b>	<b>-</b>	<b>4,012,959</b>	<b>(10,197,548)</b>	<b>61,478,186</b>
Change in Net Assets	-	34,350	34,350	38,066	-	38,066	-	3,968,434
Net Assets, Beginning of Year	-	-	-	-	-	-	-	4,333,571
Net Assets, End of Year	<u>\$ -</u>	<u>\$ 34,350</u>	<u>\$ 34,350</u>	<u>\$ 38,066</u>	<u>\$ -</u>	<u>\$ 38,066</u>	<u>\$ -</u>	<u>\$ 8,302,005</u>

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS  
SUPPLEMENTARY INFORMATION  
COMBINING SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020**

	School Support Center			Harte			Karr			Wilson		
	Instructional	Management and General	Total	Instructional	Management and General	Total	Instructional	Management and General	Total	Instructional	Management and General	Total
Salaries	\$ 2,028,653	\$ 1,164,653	\$ 3,193,306	\$ 3,941,200	\$ 98,556	\$ 4,039,756	\$ 5,794,398	\$ 113,343	\$ 5,907,741	\$ 3,776,258	\$ 75,442	\$ 3,851,700
Retirement	530,283	305,508	835,791	985,098	25,559	1,010,657	1,473,560	29,412	1,502,972	958,262	19,615	977,877
Transportation	-	-	-	451,612	-	451,612	677,223	-	677,223	567,659	-	567,659
Food service management	-	-	-	679,422	-	679,422	556,513	-	556,513	432,988	-	432,988
Other employee benefits	128,222	101,138	229,360	370,894	14,494	385,388	572,731	14,214	586,945	329,117	7,335	336,452
Supplies	169,309	208,929	378,238	207,683	1,471	209,154	340,278	828	341,106	199,343	7,060	206,403
Professional services	48,771	221,406	270,177	33,060	53,251	86,311	100,016	42,957	142,973	58,378	44,521	102,899
Repairs and maintenance	7,624	-	7,624	133,304	-	133,304	165,503	-	165,503	135,552	-	135,552
Custodial services	-	1,433	1,433	136,438	-	136,438	143,264	-	143,264	101,296	-	101,296
Insurance	8,985	27,493	36,478	120,315	44,933	165,248	111,151	60,387	171,538	98,830	41,418	140,248
Dues and fees	7,318	35,184	42,502	144,263	-	144,263	221,361	250	221,611	132,641	-	132,641
Rent	144,040	55,924	199,964	3,689	28,232	31,921	16,917	26,395	43,312	1,904	25,421	27,325
Communications	51,253	108,321	159,574	64,047	8,945	72,992	208,701	13,109	221,810	69,552	8,668	78,220
Payroll taxes	31,862	18,477	50,339	72,072	1,689	73,761	102,864	2,037	104,901	67,372	1,385	68,757
Miscellaneous	-	13,912	13,912	5,301	22,841	28,142	192,478	98,410	290,888	27,446	16,022	43,468
Seminars and conferences	2,931	43,099	46,030	881	1,630	2,511	16,324	5,671	21,995	113	275	388
Lawncare	-	-	-	13,627	-	13,627	15,443	-	15,443	7,273	-	7,273
Security	-	2,886	2,886	12,305	-	12,305	48,432	-	48,432	22,710	-	22,710
Advertising	-	16,853	16,853	-	-	-	-	-	-	-	-	-
Furniture and fixtures	-	-	-	-	-	-	-	-	-	-	-	-
Printing and binding	5,441	8,159	13,600	3,867	1,360	5,227	3,186	1,679	4,865	6,262	79	6,341
Legal	9,449	61,991	71,440	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	4,764	-	4,764	6,737	-	6,737	4,956	-	4,956
Accounting	-	16,775	16,775	-	-	-	-	-	-	-	-	-
Mileage allowance	9,350	-	9,350	1,672	-	1,672	1,918	-	1,918	1,174	-	1,174
Travel	-	28	28	-	-	-	-	-	-	-	-	-
Postage and freight	700	3,976	4,676	-	-	-	-	-	-	-	-	-
Interest	-	3,250	3,250	-	-	-	-	-	-	-	-	-
Indirect costs/management fees	2,714,621	-	2,714,621	1,150,712	-	1,150,712	1,973,661	-	1,973,661	843,726	-	843,726
Depreciation	-	4,689	4,689	-	-	-	82,654	-	82,654	-	1,499	1,499
	<u>\$ 5,898,812</u>	<u>\$ 2,424,084</u>	<u>\$ 8,322,896</u>	<u>\$ 8,536,226</u>	<u>\$ 302,961</u>	<u>\$ 8,839,187</u>	<u>\$ 12,825,313</u>	<u>\$ 408,692</u>	<u>\$ 13,234,005</u>	<u>\$ 7,842,812</u>	<u>\$ 248,740</u>	<u>\$ 8,091,552</u>

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS  
SUPPLEMENTARY INFORMATION  
COMBINING SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020**

	Inspire 42			McMain			Eisenhower			McDonogh 35		
	Instructional	Management and General	Total	Instructional	Management and General	Total	Instructional	Management and General	Total	Instructional	Management and General	Total
Salaries	\$ 2,689,026	\$ 78,880	\$ 2,767,906	\$ 4,823,679	\$ 114,193	\$ 4,937,872	\$ 3,784,940	\$ 94,950	\$ 3,879,890	\$ 1,401,069	\$ 23,676	\$ 1,424,745
Retirement	688,974	20,509	709,483	1,217,782	29,790	1,247,572	968,592	24,679	993,271	361,945	6,156	368,101
Transportation	442,387	-	442,387	843,885	-	843,885	484,658	-	484,658	266,668	-	266,668
Food service management	356,297	-	356,297	518,671	-	518,671	378,013	-	378,013	377,167	-	377,167
Other employee benefits	236,414	7,170	243,584	454,527	7,983	462,510	319,940	6,543	326,483	111,066	1,969	113,035
Supplies	169,974	3,030	173,004	266,608	-	266,608	212,469	-	212,469	127,719	-	127,719
Professional services	51,661	37,363	89,024	123,146	38,120	161,266	40,758	48,288	89,046	47,124	12,308	59,432
Repairs and maintenance	167,972	-	167,972	221,618	-	221,618	160,997	498	161,495	79,362	-	79,362
Custodial services	81,922	-	81,922	122,941	-	122,941	97,493	-	97,493	87,624	-	87,624
Insurance	97,994	375	98,369	145,373	51,052	196,425	98,810	42,090	140,900	719	12,365	13,084
Dues and fees	88,424	-	88,424	185,106	-	185,106	130,262	-	130,262	37,544	-	37,544
Rent	384,235	40,662	424,897	56,543	(7,424)	49,119	189	29,390	29,579	6,664	-	6,664
Communications	52,332	7,893	60,225	143,369	55,301	198,670	62,176	8,654	70,830	22,846	6,857	29,703
Payroll taxes	49,153	1,492	50,645	87,047	1,976	89,023	69,713	1,631	71,344	27,512	509	28,021
Miscellaneous	1,565	11,929	13,494	218,195	63,007	281,202	1,474	-	1,474	29,596	-	29,596
Seminars and conferences	(880)	665	(215)	5,896	5,418	11,314	(720)	1,429	709	1,482	1,624	3,106
Lawncare	13,627	-	13,627	24,274	-	24,274	17,670	-	17,670	6,956	-	6,956
Security	9,308	-	9,308	28,349	-	28,349	4,268	-	4,268	18,347	-	18,347
Advertising	-	19	19	-	-	-	-	-	-	-	-	-
Furniture and fixtures	869	-	869	-	-	-	-	-	-	-	-	-
Printing and binding	2,927	-	2,927	5,508	-	5,508	4,482	611	5,093	79,153	372	79,525
Legal	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	2,274	-	2,274	-	-	-	-	-	-	5,433	-	5,433
Disposal	4,187	-	4,187	9,342	-	9,342	4,249	-	4,249	1,555	-	1,555
Accounting	-	-	-	-	-	-	-	-	-	-	-	-
Mileage allowance	829	-	829	2,278	-	2,278	1,147	18,774	19,921	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Postage and freight	1,413	-	1,413	717	-	717	-	-	-	216	-	216
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Indirect costs/management fees	556,676	-	556,676	1,363,997	-	1,363,997	824,727	-	824,727	431,464	-	431,464
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 6,149,560</u>	<u>\$ 209,987</u>	<u>\$ 6,359,547</u>	<u>\$ 10,868,851</u>	<u>\$ 359,416</u>	<u>\$ 11,228,267</u>	<u>\$ 7,666,307</u>	<u>\$ 277,537</u>	<u>\$ 7,943,844</u>	<u>\$ 3,529,231</u>	<u>\$ 65,836</u>	<u>\$ 3,595,067</u>

See the accompanying independent auditor's report.

**InspireNOLA CHARTER SCHOOLS  
SUPPLEMENTARY INFORMATION  
COMBINING SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020**

	Pierre Capdau			McDonogh 35 OPSB			Interfund Eliminations	Combined Totals		
	Instructional	Management and General	Total	Instructional	Management and General	Total		Instructional	Management and General	Total
Salaries	\$ 34,303	\$ -	\$ 34,303	\$ 1,658,619	\$ 61,109	\$ 1,719,728	\$ -	\$ 29,932,145	\$ 1,824,802	\$ 31,756,947
Retirement	8,918	-	8,918	426,410	15,888	442,298	-	7,619,824	477,116	8,096,940
Transportation	-	-	-	302,174	-	302,174	-	4,036,266	-	4,036,266
Food service management	-	-	-	148,925	-	148,925	-	3,447,996	-	3,447,996
Other employee benefits	813	-	813	132,340	5,706	138,046	-	2,656,064	166,552	2,822,616
Supplies	3,206	-	3,206	193,256	29,691	222,947	-	1,889,845	251,009	2,140,854
Professional services	-	-	-	60,797	16,315	77,112	-	563,711	514,529	1,078,240
Repairs and maintenance	48	-	48	89,766	-	89,766	-	1,161,746	498	1,162,244
Custodial services	-	-	-	115,177	-	115,177	-	886,155	1,433	887,588
Insurance	-	-	-	6,199	16,598	22,797	-	688,376	296,711	985,087
Dues and fees	-	-	-	55,542	-	55,542	-	1,002,461	35,434	1,037,895
Rent	-	-	-	16,491	8,186	24,677	-	630,672	206,786	837,458
Communications	629	-	629	82,329	9,090	91,419	-	757,234	226,838	984,072
Payroll taxes	493	-	493	32,545	1,363	33,908	-	540,633	30,559	571,192
Miscellaneous	-	-	-	53,853	-	53,853	-	529,908	226,121	756,029
Seminars and conferences	-	-	-	1,950	1,557	3,507	-	27,977	61,368	89,345
Lawncare	-	-	-	9,221	-	9,221	-	108,091	-	108,091
Security	-	-	-	8,071	-	8,071	-	151,790	2,886	154,676
Advertising	-	-	-	-	-	-	-	-	16,872	16,872
Furniture and fixtures	-	-	-	-	-	-	-	869	-	869
Printing and binding	-	-	-	104,926	493	105,419	-	215,752	12,753	228,505
Legal	-	-	-	-	-	-	-	9,449	61,991	71,440
Utilities	-	-	-	7,201	-	7,201	-	14,908	-	14,908
Disposal	-	-	-	2,062	-	2,062	-	37,852	-	37,852
Accounting	-	-	-	-	-	-	-	-	16,775	16,775
Mileage allowance	-	-	-	858	-	858	-	19,226	18,774	38,000
Travel	-	-	-	-	-	-	-	-	28	28
Postage and freight	-	-	-	287	-	287	-	3,333	3,976	7,309
Interest	-	-	-	-	-	-	-	-	3,250	3,250
Indirect costs/management fees	-	-	-	337,964	-	337,964	(10,197,548)	-	-	-
Depreciation	-	-	-	-	-	-	-	82,654	6,188	88,842
	<u>\$ 48,410</u>	<u>\$ -</u>	<u>\$ 48,410</u>	<u>\$ 3,846,963</u>	<u>\$ 165,996</u>	<u>\$ 4,012,959</u>	<u>\$ (10,197,548)</u>	<u>\$ 57,014,937</u>	<u>\$ 4,463,249</u>	<u>\$ 61,478,186</u>

See the accompanying independent auditor's report.



**INDEPENDENT AUDITORS' 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***

December 11, 2020

Board of Directors of  
InspireNOLA Charter Schools

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 Standard* issued by the Comptroller General of the United States, the combining financial statements of InspireNOLA Charter Schools ("InspireNOLA"), as of and for the year ended June 30, 2020, and the related notes to the combining financial statements, and have issued our report thereon dated December 11, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the combining financial statements, we considered InspireNOLA'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 combining financial statements, but not for the purpose of expressing an opinion on the effectiveness of InspireNOLA's internal control. Accordingly, we do not express an opinion on the effectiveness of InspireNOLA's internal control.

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

Our consideration of internal control 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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether InspireNOLA's combining 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

*Hienz & Macaluso, LLP*  
Metairie, LA

**SINGLE AUDIT SECTION**



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

December 11, 2020

Board of Directors of  
InspireNOLA Charter Schools

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

We have audited InspireNOLA Charter Schools’ (“InspireNOLA”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the InspireNOLA’s major federal programs for the year ended June 30, 2020. InspireNOLA’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

***Management’s Responsibility***

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

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of InspireNOLA’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about InspireNOLA’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, InspireNOLA, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## Report on Internal Control over Compliance

Management of InspireNOLA, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered InspireNOLA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of InspireNOLA's internal control over compliance.

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

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

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

*Hienz & Macaluso, LLP*  
Metairie, LA

**InspireNOLA CHARTER SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Education</u>		
Passed-Through Teacher Incentive Fund:		
Teacher and School Leader Incentive Grants	84.374	\$ 263,829 <sup>1</sup>
Passed-Through State Department of Education:		
ESEA of 1965, Title I, Part A	84.010	<u>3,664,740</u>
<u>Special Education Cluster</u>		
IDEA, Part B	84.027	1,098,794
Special Education Pre-School Grants	84.173	<u>10,142</u>
Total Special Education Cluster		<u>1,108,936</u>
ESEA of 1965, Title II, Part A	84.367	<u>310,412</u>
School Climate Transformation	84.184	<u>83,151</u>
Career and Technical Education - Basic Grants to States	84.048	<u>128,679</u>
English Language Acquisition State Grants	84.365	<u>32,310</u>
Striving Readers/Comprehensive Literacy Development	84.371	<u>413,003</u>
Student Support and Academic Enrichment Program	84.424	<u>72,989</u>
Charter Schools	84.282	<u>1,051,534</u>
Gaining Early Awareness and Readiness for Undergraduate	84.334	<u>71,038</u>
TOTAL U.S. DEPARTMENT OF EDUCATION		<u>7,200,621</u>
<u>U.S. Department of Agriculture</u>		
Passed-Through State Department of Agriculture:		
National School Lunch Program		
Free and Reduced Price Meals	10.555	<u>3,188,489</u> <sup>1</sup>
TOTAL U.S. DEPARTMENT OF AGRICULTURE		<u>3,188,489</u>
TOTAL ASSISTANCE		<u>\$ 10,389,110</u>

<sup>1</sup> Major Program

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**InspireNOLA CHARTER SCHOOLS**  
**NOTES TO THE SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARDS**  
**JUNE 30, 2020**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards includes the federal grant activity of InspireNOLA and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

2. ACCRUED AND DEFERRED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by InspireNOLA. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and the end of the year.

3. PAYMENTS TO SUBRECIPIENTS

There were no payments to subrecipients for the year ended June 30, 2020.

4. DE MINIMIS INDIRECT COST RATE

InspireNOLA did not elect to use the 10% de minimis indirect cost rate for the year ended June 30, 2020.

**InspireNOLA CHARTER SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2020**

**A. SUMMARY OF AUDIT RESULTS**

1. The independent auditors' report expresses an unmodified opinion on the combining financial statements of InspireNOLA Charter Schools.
2. No control deficiencies relating to the audit of the combining financial statements are reported in the *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*.
3. No instances of noncompliance material to the combining financial statements were disclosed during the audit.
4. No control deficiencies relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Award Program and on Internal Control Over Compliance Required by the Uniform Guidance*.
5. The auditors' report on compliance with requirements applicable to major federal award programs for InspireNOLA Charter Schools expresses an unmodified opinion.
6. The auditors' report disclosed no findings that were required to be reported in accordance with the Uniform Guidance.
7. A management letter was not issued for the year ended June 30, 2020.
8. The programs tested as major programs were:

	<u>CFDA No.</u>
Teacher and School Leader Incentive Grants	84.374
National School Lunch Program	10.555
9. The threshold for distinguishing between type A and type B programs was \$750,000.
10. InspireNOLA Charter Schools was determined to be a low-risk auditee.

**InspireNOLA CHARTER SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2020**

**B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

There were no findings required to be reported in this section.

**C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

There were no findings required to be reported in this section.

**InspireNOLA CHARTER SCHOOLS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**A. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

Not applicable.

**B. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

Not applicable

**C. MANAGEMENT LETTER**

A management letter was not issued in connection with the audit for the year ended June 30, 2019.

## PERFORMANCE STATISTICAL DATA



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

December 11, 2020

To the Board of Directors of InspireNOLA Charter Schools and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by InspireNOLA Charter Schools; 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 InspireNOLA Charter Schools for the fiscal year ended June 30, 2020; 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, in compliance with Louisiana Revised Statute 24:514 I. Management of InspireNOLA Charter Schools 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.

The procedures and associated findings are as follows:

**PROCEDURES AND FINDINGS**

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

1. We selected a random sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:
  - ❖ Total General Fund Instructional Expenditures;
  - ❖ Total General Fund Equipment Expenditures;
  - ❖ Total Local Taxation Revenues;
  - ❖ Total Local Earnings on Investment in Real Property;
  - ❖ Total State Revenue in Lieu of Taxes;
  - ❖ Nonpublic Textbook Revenue; and
  - ❖ Nonpublic Transportation Revenue.

We reviewed the supporting documentation for the selected transactions and determined that they were classified correctly and reported in the proper amounts on the appropriate schedule.

**Class Size Characteristics (Schedule 2)**

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1 roll books for those classes and observed that the class was properly classified on the schedule.

No differences were noted.

**Education Levels/Experience of Public School Staff (NO SCHEDULE)**

3. We obtained October 1<sup>st</sup> PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

No differences were noted.

**Public School Staff Data: Average Salaries (NO SCHEDULE)**

4. We obtained June 30<sup>th</sup> PEP data submitted to the Department of Education (or equivalent listing prepared by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file and observed that each individuals' salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

No differences were noted.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion 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.

This report is intended solely for the use of management of InspireNOLA Charter Schools, 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.

*Hienz & Macaluso, LLP*  
Metairie, LA



**INSPIRENOLA CHARTER SCHOOLS**  
**New Orleans, Louisiana**

**Education Levels of Public School Staff**  
**As of October 1, 2019**

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	1	1%	0	0%	0	0%	0	0%
Bachelor's Degree	111	62%	106	72%	4	24%	4	67%
Master's Degree	60	34%	39	26%	11	65%	2	33%
Master's Degree + 30	4	2%	0	0%	1	6%	0	0%
Specialist in Education	0	0%	2	1%	0	0%	0	0%
Ph. D. or Ed. D.	3	2%	1	1%	1	6%	0	0%
<b>Total</b>	<b>179</b>	<b>100%</b>	<b>148</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>6</b>	<b>100%</b>

See Independent Accountant report on Agreed-Upon Procedures.