

VIRTUAL ACADEMY OF LAFOURCHE, INC.

FINANCIAL STATEMENTS WITH AUDITOR'S REPORT

***As of and for the Year Ending
June 30, 2017***

Virtual Academy of Lafourche, Inc.

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Virtual Academy of Lafourche, Inc.

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STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Virtual Academy of Lafourche, Inc.
639 Harrison Street
Thibodaux, La 70301

Report on the Financial Statements

We have audited the accompanying financial statements of Virtual Academy of Lafourche, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the financial statement as listed in the table of contents.

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.

Auditors 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 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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Virtual Academy of Lafourche, Inc., as of and for the year ended June 30, 2017, and in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Performance and Statistical Data, included as Schedules 1 through 9 and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are not a required part of the basis financial statements, but is 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 financial statements. The Schedule of Compensation, Benefits, and Other Payments 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 to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance the auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole. We have applied certain limited procedures to the Performance and Statistical Data, included as Schedules 1 through 9, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2017, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts 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 Virtual Academy of Lafourche, Inc.'s internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
December 1, 2017



Virtual Academy of Lafourche, Inc.

Statement of Financial Position

June 30, 2017

ASSETS

CURRENT ASSETS:

Unrestricted Cash	\$ 239,181
Prepaid Expenses	47,614
Total current assets	<u>286,795</u>

PROPERTY AND EQUIPMENT

Improvements, Furniture & equipment, net	408,754
Total Property and Equipment	<u>408,754</u>

TOTAL ASSETS	<u>\$ 695,549</u>
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LIABILITIES AND NET POSITION

CURRENT LIABILITIES:

Accounts Payable	\$ 25,641
Payroll Taxes Payable	5,870
Accrued Payroll	26,706
Notes Payable - current	45,560
Total Current Liabilities	<u>103,777</u>

NET POSITION

Unrestricted	591,772
Total Net Position	<u>591,772</u>

TOTAL LIABILITIES AND NET POSITION	<u>\$ 695,549</u>
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See notes to financial statements.

Virtual Academy of Lafourche, Inc.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

SUPPORT AND REVENUES	Unrestricted
State and Local Public School Funding	\$ 4,756,397
Other Income	103,747
Total Revenue and Support	<u>4,860,144</u>
 EXPENSES	
Program Services:	
Teacher Services	2,309,290
Onsite Instruction & Testing	612,800
Curriculum and Enrichment	646,689
Training	1,651
Bus Service	7,050
Supporting Services:	
Employee Benefits and payroll taxes	357,330
Accounting & Auditing	33,946
Administration Services	123,756
Advertising	10,958
Insurance	36,185
Legal Fees & Professional	1,250
Information Technologies	14,803
Office Expense	34,208
Rent & Lease Expense	166,426
Supplies	30,874
Telephone & Utilities	43,162
Transportation	2,563
Depreciation and Amortization	85,987
Dues & Licenses	35,282
Repairs and maintenance	26,701
Security and babysitting services	23,498
Total Expenses	<u>4,604,409</u>
 CHANGE IN NET POSITION	 255,735
 NET POSITION	
Beginning of year	336,037
End of year	<u>\$ 591,772</u>

See notes to financial statements.

VIRTUAL ACADEMY OF LAFOURCHE, INC.

Statement of Cash Flows
For the Year Ended June 30, 2017

Cash flows from operating activities:	
Change in net position	\$ 255,735
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	85,987
(Increase) decrease in operating assets:	
Prepaid expenses	353
Accounts receivable - LPSB	57,772
Increase (decrease) in operating liabilities	
Accounts payable	(52,457)
Accrued payroll	(770)
Total Adjustments	\$ 90,885
Net cash flow provided (used) by operating activities	\$ 346,620
Cash flows from investing activities:	
Purchase of fixed assets	(13,560)
Net cash provided (used) by investing activities	(13,560)
Cash flows from financing activities:	
Payments on long-term debt	(150,000)
Net cash provided (used) by financing activities	(150,000)
Net increase in cash and cash equivalents	183,060
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	56,121
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 239,181

See notes to financial statements.

Virtual Academy of Lafourche, Inc.

Notes to the Financial Statements
For the Year Ended June 30, 2017

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Virtual Academy of Lafourche, Inc. (the School) was created as a non-profit corporation under the laws of the State of Louisiana on February 3, 2012. The School was founded to provide quality blended learning opportunities for K-12 students of Lafourche Parish. The students complete their lessons off site using the Internet, with supervision of a parent and/or guardian and receive guidance by phone or online from a certified Educational Consultant.

The Board of Directors is the intermediate authority and it consists of eight members with the majority of the members domiciled in Lafourche Parish. The charter school has a director who oversees and manages the daily operations of the School.

These financial statements and notes are representation of the School's management, who is responsible for the integrity, and objectivity of the financial statements. These accounting policies conform to Generally Accepted Accounting Principles and have been consistently applied in the preparation of the financial statements. The School is considered a component unit of Lafourche Parish School Board.

Financial Statement Presentation

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. In addition, the School is required to present a statement of cash flows.

Under the guidance contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the donor-imposed time or purpose restrictions. Restricted contributions, for which the restriction is met in the same year, are classified as unrestricted.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and are prepared on the accrual basis.

Virtual Academy of Lafourche, Inc.

Notes to the Financial Statements
For the Year Ended June 30, 2017

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

Support and Revenue

Lafourche Parish School Board- The school receives an allocation based on the Minimum Foundation Program dollars per child through Lafourche Parish School Board. This amount is allocated per child and is distributed to the School. This amount is offset by certain services provided by the School Board.

Concentrations

The School received 97% of its revenues from the State Public School – MFP Funding, subject to its charter school contract with the Board of Trustees. If the amount of support received should fall below award budgeted levels, Virtual Academy of Lafourche, Inc. operating results could be adversely affected.

Property and Equipment and Depreciation

Property and equipment is recorded at historical cost or estimated historical cost if historical cost is not available. Betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Depreciation is computed under the straight-line method for all depreciable assets over their respective estimated useful lives. Property and equipment is depreciated over a 3-15 year period. Property and equipment reported on the statement of financial position are net of accumulated depreciation. Normal building maintenance and minor equipment purchases are included as expenses of the School.

Income Taxes

The Charter School is a nonprofit organization under the State of Louisiana and is exempt from taxation under section 501 (c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income. No provision for income taxes have been made.

Budgetary Data

The School formally adopts a budget that is submitted to Lafourche Parish School Board for approval.

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during reporting period. Actual results could differ from those estimates.

Virtual Academy of Lafourche, Inc.

Notes to the Financial Statements
For the Year Ended June 30, 2017

Note 2 CASH

At June 30, 2017, the reported amount in cash was \$239,181 and the bank balance was \$277,098. \$250,000 of the deposits were covered by federal depository insurance.

Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. \$27,098 of the bank balance of deposits is exposed to custodial credit risk.

CONCENTRATION OF CREDIT RISK. The School maintains a single bank account. Accounts at the institution insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at June 30, 2017 did exceed the federally insured limit by \$27,098.

Note 3 FURNITURE, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS

At June 30, 2017, property and equipment consisted of the following:

	Balance June 30, 2016	Net Additions (Dispositions)	Balance June 30, 2017
Improvements, Furniture & Equipment	\$581,305	\$13,561	\$594,866
Less: Accumulated Depreciation	(100,125)	(85,987)	(186,112)
Total	\$481,180	\$(72,426)	\$408,754

Total additions to fixed assets were \$13,561 with no disposals for the year. Depreciation expense for the year was \$85,987.

All assets acquired with Louisiana Department of Education funds are owned by the School while used for the purpose in which they were purchased. The Louisiana Department of Education, however, has a reversionary interest in these assets. Should the charter not be renewed, title in any assets purchased with those funds will transfer to the appropriate agency.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2017

Note 4 FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program and supporting services in the accompanying statement of functional expenses.

Note 5 OPERATING LEASES

The School conducts its operations from five facilities (office space and classrooms). These facilities are leased from the following:

- The school leases facilities from the Lafourche Parish School Board for the rental of a building and a portable building to be used for the operation of the school. The initial lease was a three-year lease ending on June 30, 2016 as was amended for the addition of two more classrooms at the TOPS South Campus and amended the lease term for two years commencing on July 1, 2015 and ending June 30, 2017. During March 2017, the leased spaced was reduced wherein the central school campus was moved to a different location. The lease includes monthly payments of \$4,035 for 8 months of the year and \$2,438 for the remaining 4 months of the year for a total paid in this fiscal year of \$42,034.
- The school leased facilities from Hoffman's music under a two year, non-cancelable operating lease expiring on April 30, 2017. This lease was renewed for a new two-year term from May 10, 2017 to April 30, 2019. This lease includes payments of approximately \$2,704 per month for a total paid in this fiscal year of \$32,448.
- The school subleased facilities from eLearning K12 Center, LLC under a year lease agreement commencing July 1, 2016 and expiring on June 30, 2017. This lease includes payments of \$1,000 per month for a total paid in this fiscal year of \$12,000.
- The school leased facilities from Nicholls Plaza under a three-year lease agreement commencing October 15, 2014 and expiring on May 31, 2017 with the option to renew for one additional three-year term. This lease was amended during the 2015-16 year where the school moved into a 12,600-square foot space at 509 B St. Mary Street. This lease includes payments of approximately \$5,250 for a total paid in this fiscal year of \$63,000.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2017

Note 5 OPERATING LEASES (continued)

- The school leased facilities from Culver Realty under a four-year lease agreement commencing February 1, 2017 and ending January 31, 2021 with an option to renew and extend the term for five years. The school leased Suite 2 and Suite 4 for approximately 1280 square feet of usable interior classroom space, including two bathrooms and kitchens for the central campus in Lockport. This lease includes payments of \$1,100 per month for a total paid in this fiscal year of \$5,500.

The following is a schedule of future minimum rental payments required under the above operating leases:

Year Ending, June 30, 2016	Amount
LPSB	\$ 42,034
Hoffmann's Music	\$ 34,248
E-Learning	\$ 12,000
Culver Realty	\$ 5,500
Nicholls Plaza	<u>\$ 63,000</u>
	\$156,782

Total rental expense charged for the fiscal year was \$166,425, which included additional one-time rentals for events such as graduation.

Note 6 NOTES PAYABLE

After initial construction costs and upon moving to the 12,600-square foot space located at Nicholls Plaza 509 B St. Mary Street, the parties agreed that the school would pay back the total construction costs of \$285,599 to build out the space, which was the principal amount setup as a note payable upon execution.

This agreement bears no interest and payments are made in increments of \$10,000 per month starting in August 2015. For the year ended, June 30, 2017, total payments made toward note totaled \$240,039 leaving a balance of \$45,560, which is considered current as due and payable in the next year.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2017

Note 7 *FAIR VALUE OF FINANCIAL STATEMENTS*

The fair value of financial instruments has been determined utilizing available market information and appropriate valuation methodologies. The School considers the carrying amounts of cash to approximate fair value.

Note 8 *PER DIEM TO BOARD OF DIRECTORS*

During the year ended June 30, 2017, no board members received per diem in his or her capacity as director.

Note 9 *CONCENTRATION OF REVENUE SOURCE*

Virtual Academy of Lafourche, Inc. receives primarily all of its support from Lafourche Parish School Board through the State of Louisiana's Minimum Foundation Program. If the amount of support received should fall below award budgeted levels, Virtual Academy of Lafourche, Inc. operating results could be adversely affected.

Note 10 *CONTINGENCIES AND COMMITMENTS*

The School is a recipient of funding from Lafourche Parish School Board through the State of Louisiana's Minimum Foundation Program. This funding is governed by various guidelines, regulations, and contractual agreements. The administration of the program and activities funded is under the control and administration of Virtual Academy of Lafourche, Inc. and is subject to audit and/or review by the applicable funding source. Any funds found to be not properly spent in accordance with these terms; conditions and regulations of the funding sources may be subject to recapture.

Note 11 *SUBSEQUENT EVENTS REVIEW*

Management has evaluated subsequent events through the date that the financial statements were issued and determined that no events occurred that require disclosure. For the 2017-2018 school year in order to reduce costs, management chose to close the remaining campus that uses the only curriculum and education consultant/contractor for instructional services (including curriculum). Management has contracted with multiple new vendors for the curriculum and staffing components for the all three campuses.



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Virtual Academy of Lafourche, Inc.
Thibodaux, La

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Virtual Academy of Lafourche, Inc. and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Virtual Academy of Lafourche, Inc. 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. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the 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 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 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
 - Nonpublic Transportation Revenue

Finding: Of the 25 transactions pulled all were properly classified. As part of the financial audit, it was determined that some expenses were misclassified between expense accounts resulting in adjustments made to the statements. Those adjustments attributed to discrepancies between the amounts previously reported on the AFR in relation to the amounts reported on Schedule 1 as corrected, the AFR variances are noted below:

Transaction Classification	AFR	Corrected Schedule 1	Adjustment Posted
Professional & Technical services	\$1,112,421	\$1,067,782	\$ (44,639)
Instructional Staff Services	\$2,550,942	\$2,538,095	\$ (12,847)
School Administration	\$ 387,964	\$ 357,330	\$ (30,634)

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 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 1.

Finding: No findings. All teacher/educators are contracted with an outside vendor.

3. We reconciled the combined total of principals and assistant principals per the schedule “Experience of Public Principals and Full-time Classroom Teachers” (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Finding: No findings. All teacher/educators are contracted with an outside vendor.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule. We traced a random sample of 25 teachers to the individual’s personnel file and determine if the individual’s education level was properly classified on the schedule.

Finding: No findings. All teacher/educators are contracted with an outside vendor.

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 (CFSA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Finding: No findings.



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 1 and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Finding: No findings. All teacher/educators are contracted with an outside vendor.

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 a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Finding: No findings. All teacher/educators are contracted with an outside vendor.

8. We recalculated the average salaries and full-time equivalents reported on the schedule.

Finding: No findings. All teacher/educators are contracted with an outside vendor.

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 a random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

Finding: No findings.

Louisiana Educational Assessment Program (LEAP) – ELA & Math (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 Virtual Academy of Lafourche, Inc.

Finding: No findings.

Graduation Exit Examination (GEE)(Schedule 8):

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

Finding: Not Applicable

LEAP Tests - Science & Social Studies (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 Virtual Academy of Lafourche, Inc.

Finding: No findings.

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, Board of Directors, the Louisiana Legislative Auditors, the Louisiana Department of Education, and the Lafourche Parish School Board, 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.

Stagni & Company

Thibodaux, Louisiana

December 1, 2017

VIRTUAL ACADEMY OF LAFOURCHE, INC.
SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514-PERFORMANCE AND STATISTICAL DATA)
FOR THE YEAR ENDED JUNE 30, 2017

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

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2- Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph.D. or Ed.D. Degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3- Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

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

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5- Public School Staff Data: Average Salaries

This schedule includes average classroom teacher's salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6- Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (AFSR).

Schedule 7- Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 3, 4, 5, 6, 7 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8- Graduation Exit Examination (GEE)

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

Schedule 9- iLEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 4, 5, 6, 7, and 8 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade form the entire nation. This schedule includes three years of data.

VIRTUAL ACADEMY OF LAFOURCHE INC.
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND
AND CERTAIN LOCAL REVENUE SOURCES
For the Year Ended June 30, 2017

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	-	
Other Instructional Staff Activities	\$	-	
Instructional Staff Employee Benefits	\$	-	
Purchased Professional and Technical Services	\$	1,067,781.65	
Instructional Materials and Supplies	\$	-	
Instructional Equipment	\$	-	
Total Teacher and Student Interaction Activities		-	\$ 1,067,781.65

Other Instructional Activities			\$ 35,875.25
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Pupil Support Activities	\$	135,851.10	
Less: Equipment for Pupil Support Activities	\$	-	
Net Pupil Support Activities		-	\$ 135,851.10

Instructional Staff Services	\$	2,538,094.86	
Less: Equipment for Instructional Staff Services	\$	-	
Net Instructional Staff Services		-	\$ 2,538,094.86

School Administration	\$	357,330.45	
Less: Equipment for School Administration	\$	-	
Net School Administration		-	\$ 357,330.45

Total General Fund Instructional Expenditures (Total of Column B)			\$ 4,134,933.31
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Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)	\$	-	
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Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$	-	
Renewable Ad Valorem Tax	\$	-	
Debt Service Ad Valorem Tax	\$	-	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	\$	-	
Sales and Use Taxes	\$	-	
Total Local Taxation Revenue		-	

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$	-	
Earnings from Other Real Property	\$	-	
Total Local Earnings on Investment in Real Property		-	

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$	-	
Revenue Sharing - Other Taxes	\$	-	
Revenue Sharing - Excess Portion	\$	-	
Other Revenue in Lieu of Taxes	\$	-	
Total State Revenue in Lieu of Taxes		-	

Nonpublic Textbook Revenue	\$	-	
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Nonpublic Transportation Revenue	\$	-	
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See independent accountant's report on applying agreed upon procedures.

**VIRTUAL ACADEMY OF LAFOURCHE INC.
EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
For the Year Ended June 30, 2017**

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								
Bachelor's Degree								
Master's Degree								
Master's Degree + 30								
Specialist in Education								
Ph. D. or Ed. D.								
Total								

Teachers who were paid through contract services are excluded from this report.

The School does not have any principals and assistant principals.

**VIRTUAL ACADEMY OF LAFOURCHE INC.
NUMBER AND TYPE OF PUBLIC SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2017**

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

Note: Schools opened or closed during the fiscal year are included in this schedule.

**VIRTUAL ACADEMY OF LAFOURCHE, INC.
EXPERIENCE OF PUBLIC PRINCIPALS, ASSISTANT PRINCIPLES
AND FULL TIME CLASSROOM TEACHERS
FOR THE YEAR ENDED JUNE 30, 2017**

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								
Principals								
Classroom Teachers								
Total								

Teachers who were paid through contract services are excluded from this report.

The School does not have any principals and assistant principals.

**VIRTUAL ACADEMY OF LAFOURCHE, INC.
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		
Average Classroom Teachers' Salary Excluding Extra Compensation		
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries		

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude stipends and employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

Any employees who were included in the Lafourche Parish School Board's schedule are excluded from this report

Teachers who were paid through contract services are excluded from this report.

VIRTUAL ACADEMY OF LAFOURCHE, INC.
Class Size Characteristics
As of October 1, 2016

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary								
Elementary Activity Classes								
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High								
High Activity Classes								
Combination	10%	47	4%	22	6%	28	80%	392
Combination Activity Classes								

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

VIRTUAL ACADEMY OF LAFOURCHE, INC.
Louisiana Educational Assessment Program (LEAP)- ELA & Math
For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts			Mathematics		
	2017 LEAP	2016 LEAP	2015 LEAP	2017 LEAP	2016 LEAP	2015 LEAP
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	0%	1%	0%	0%	0%	0%
Mastery	25%	34%	38%	7%	26%	17%
Basic	32%	31%	25%	18%	34%	38%
Approaching Basic	25%	11%	17%	32%	20%	21%
Unsatisfactory	18%	23%	20%	43%	20%	24%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	English Language Arts			Mathematics		
	2017 LEAP	2016 LEAP	2015 LEAP	2017 LEAP	2016 LEAP	2015 LEAP
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	7%	0%	3%	0%	0%	1%
Mastery	29%	22%	33%	9%	28%	15%
Basic	11%	41%	30%	24%	22%	27%
Approaching Basic	22%	31%	27%	51%	38%	39%
Unsatisfactory	31%	6%	7%	16%	12%	18%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	English Language Arts			Mathematics		
	2017 LEAP	2016 LEAP	2015 LEAP	2017 LEAP	2016 LEAP	2015 LEAP
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	3%	0%	0%	0%	0%	0%
Mastery	17%	34%	26%	11%	20%	4%
Basic	22%	31%	22%	22%	14%	9%
Approaching Basic	47%	20%	48%	36%	54%	57%
Unsatisfactory	11%	15%	4%	31%	12%	30%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	English Language Arts			Mathematics		
	2017 LEAP	2016 LEAP	2015 LEAP	2017 LEAP	2016 LEAP	2015 LEAP
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	7%	0%	0%	0%	0%	0%
Mastery	20%	30%	34%	9%	16%	7%
Basic	35%	47%	39%	32%	37%	36%
Approaching Basic	28%	19%	22%	38%	30%	40%
Unsatisfactory	10%	4%	5%	21%	17%	17%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	English Language Arts			Mathematics		
	2017 LEAP	2016 LEAP	2015 LEAP	2017 LEAP	2016 LEAP	2015 LEAP
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	4%	4%	2%	2%	0%	0%
Mastery	21%	37%	28%	11%	17%	12%
Basic	17%	26%	35%	34%	30%	49%
Approaching Basic	35%	24%	21%	38%	46%	39%
Unsatisfactory	23%	9%	14%	15%	7%	0%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	English Language Arts			Mathematics		
	2017 LEAP	2016 LEAP	2015 LEAP	2017 LEAP	2016 LEAP	2015 LEAP
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	0%	4%	5%	0%	2%	5%
Mastery	25%	38%	29%	19%	19%	17%
Basic	40%	38%	41%	23%	36%	34%
Approaching Basic	27%	15%	20%	42%	23%	22%
Unsatisfactory	8%	5%	5%	16%	20%	22%
Total	100%	100%	100%	100%	100%	100%

See independent accountant's report on applying agreed upon procedures.

**VIRTUAL ACADEMY OF LAFOURCHE, INC.
Graduation Exit Examination (GEE)
For the Year Ended June 30, 2017**

**The Graduation Exit Examination is no longer administered.
This schedule is no longer applicable.**

VIRTUAL ACADEMY OF LAFOURCHE, INC.
LEAP Tests - Science & Social Studies
For the Year Ended June 30, 2017

District Achievement Level Results	Science			Social Studies		
	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent
Grade 3 Students						
Advanced	7	11	4	0	N/A	0
Mastery	14	20	24	7	N/A	13
Basic	36	40	48	39	N/A	71
Approaching Basic	18	17	16	18	N/A	13
Unsatisfactory	25	12	8	36	N/A	3
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent
Grade 4 Students						
Advanced	0	0	3	0	N/A	3
Mastery	16	16	15	16	N/A	9
Basic	45	53	45	16	N/A	45
Approaching Basic	20	22	27	40	N/A	15
Unsatisfactory	19	9	10	28	N/A	28
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent
Grade 5 Students						
Advanced	0	0	0	0	N/A	0
Mastery	8	14	8	8	N/A	4
Basic	42	40	38	19	N/A	42
Approaching Basic	25	20	38	22	N/A	29
Unsatisfactory	25	26	16	51	N/A	25
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent
Grade 6 Students						
Advanced	9	5	0	11	N/A	0
Mastery	11	14	5	4	N/A	0
Basic	32	33	50	30	N/A	50
Approaching Basic	30	47	30	17	N/A	25
Unsatisfactory	18	1	15	38	N/A	25
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent
Grade 7 Students						
Advanced	2	2	2	0	N/A	0
Mastery	13	30	26	17	N/A	19
Basic	35	33	51	19	N/A	42
Approaching Basic	30	33	12	19	N/A	28
Unsatisfactory	20	2	9	45	N/A	11
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent	2017 LEAP Percent	2016 LEAP Percent	2015 LEAP Percent
Grade 8 Students						
Advanced	0	0	2	4	N/A	2
Mastery	15	23	10	21	N/A	5
Basic	35	43	54	21	N/A	41
Approaching Basic	40	26	29	27	N/A	37
Unsatisfactory	10	8	5	27	N/A	15
Total	100	100	100	100	N/A	100

See independent accountant's report on applying agreed upon procedures.

Virtual Academy of Lafourche, Inc.

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2017

Agency Head Name: Julie Bourgeois, Director

Purpose	Amount
Salary	\$93,988
Benefits - FICA & Medicare	\$7,190
Car Allowance	\$0
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$1,002
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$0
Cell Phone	\$0
Other	\$0
Total	\$102,180



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

To Board of Directors
Virtual Academy of Lafourche, Inc.

We have audited, 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, the financial statements of Virtual Academy of Lafourche, Inc. (non-profit organization) which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements as listed in the table of contents, and have issued our report thereon dated December 1, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Virtual Academy Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Virtual Academy Inc.'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 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 Virtual Academy of Lafourche, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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.

This report is intended solely for the information and use of management, the Board of Directors, the State of Louisiana, the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
December 1, 2017





STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors, Virtual Academy of Lafourche, Inc. and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Virtual Academy of Lafourche, Inc. and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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.

The procedures and associated findings are described in the following schedule.

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 those C/C areas identified in the SAUPs. 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.

Stagni & Company

Thibodaux, Louisiana

December 5, 2017

**Virtual Academy of Lafourche, Inc.
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

The required procedures and our findings are as follows:

Procedures performed on the written policies and procedures:

1. Obtain the written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - 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.
Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - c) **Disbursements**, including processing, reviewing, and approving
Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - d) **Receipts**, including receiving, recording, and preparing deposits
Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

**Virtual Academy of Lafourche, Inc.
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the written policies and procedures (continued):

- 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
Performance: Obtained and read the written policy for contracting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- 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
Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
Performance: Obtained and read the written policy for travel and expense reimbursement.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- 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.
Performance: Obtained and read the written policy for ethics.
Exceptions: The current written policy does not address the prohibitions as defined in Louisiana Revised Statute 42:1111-1121 nor the requirements that all employees annually attest through signature verification that they have read the ethics policy.
Management's response: Management is considering revising the written policy to include the required best practices.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable – there were no procedures performed for debt service.

**Virtual Academy of Lafourche, Inc.
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017**

Procedures performed on the Board of Commissioners:

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether 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.

Performance: Obtained and read the written minutes of quarterly board meetings.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Report whether 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).

Performance: Inspected meeting minutes for budget to actual comparisons.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Report whether 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.

Performance: Inspected Board minutes for the fiscal year and noted non-budgetary financial information in the form of approvals of contract, and disbursements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on the bank reconciliations:

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Performance: Obtained the listing of bank accounts from management, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

4. Using the listing provided by management, select 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, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Performance: Selected 1 bank accounts out of a total of 1 accounts. Inspected bank reconciliations prepared for each month.

Virtual Academy of Lafourche, Inc.
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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

Performance: Inspected bank reconciliations (or statements for bank accounts that reconciliation were not prepared) for written approvals.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Inspected bank reconciliations for items outstanding for more than 6 months.

Exceptions: There was no documentation that items that have been outstanding for more than 6 months had been researched for reconciling.

Management's response: Management will be working together with their contract accountant to determine the status of outstanding checks and will continue this process each month as checks become outstanding over 6 months.

Procedures performed on the collections:

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Performance: Obtained the listing of cash/check/money order (cash) collection locations from management, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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). 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.

Performance: Inquired for the 1 cash collection location selected as to all of the requirements listed above.

Exceptions: There was no existing written documentation that each person responsible for collecting cash is bonded.

Management's response: Management will consider bonding employees who are collecting cash in the future.

Virtual Academy of Lafourche, Inc.
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017

- 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.

Performance: Requested the written policies that outlined the reconciliation of cash collections and inquired of separation of duties.

Exceptions: There is no written documentation that indicates the formal process to reconcile cash collections (i.e. popcorn, candy sales) to the general ledger and/or subsidiary ledgers.

Management's response: Management will consider adding this to their cash collection policy in the future.

- 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.

Performance: Traced collections from the highest dollar week of the cash collections to the deposit date on the corresponding bank statement noting number of days from receipt to deposit for each day at each collection location.

- **Exceptions:** There were no exceptions noted.

- **Management's response:** Not applicable.

- 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.

Performance: Inspected source documents, the journal of cash receipts and deposit slips from the bank. Noted that all collections are supported by adequate documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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 by a person who is not responsible for collections.

Performance: Inspected the Policy Manual, and inquired of management as to separation of duties.

Virtual Academy of Lafourche, Inc.
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017

Exceptions: There was nothing in the written policies regarding the process specifically defined to determine the completeness of all collections.

Management's response: Management will consider adding this to the cash collection policy in the future.

Procedures performed on the disbursements:

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

Performance: Obtained the listing of disbursements, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether 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.

Performance: Randomly selected 25 disbursements from the list provided. Inquired of management and reviewed the written policies on requisition/purchase orders and how invoices are approved for payment.

Exceptions: There were 2 exceptions of purchase orders not being used.

Management's response: Management will consider addressing the policy to include a minimum amount for when a purchase order will be required.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Performance: Reviewed written policy and inspected documents for purchase approval.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) 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.

Performance: In May 2017, the policy of requisitions was implemented.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on the disbursements (continued):

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

Performance: Obtained and inspected the written policies, and inquired of management as to separation of duties.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected the written policies, and inquired of management as to authorization for disbursements.

Exceptions: No exceptions were noted.

Management's response: Not applicable.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. 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.

Performance: Inquired of management, as well as observed that the all supplies of unused checks are maintained in a locked location.

Exceptions: No exceptions were noted.

Management's response: Not applicable.

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.

Performance: Inquired of management of the details of signing checks and the control over them.

Exceptions: No exceptions were noted.

Management's response: Not applicable.

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Procedures performed on the credit cards, debit cards, fuel cards, p-cards:

14. Obtain 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. Obtain management's representation that the listing is complete.

Performance: Obtained a listing of all active credit cards including the above-mentioned information for each card, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is 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.

Performance: Obtained all monthly statements for all cards (2) issued and observed for supporting documentation as well as approvals.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Performance: Reviewed all credit card statements for any late fees or finance charges.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the cards selected (i.e. each of the cards should have one month of transactions subject to testing).

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

Performance: Traced each transaction to an original itemized receipt.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on the credit cards, debit cards, fuel cards, p-cards (continued):

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

Performance: Observed documentation for the purpose of each transaction noting clear purpose as business/public. There were no transactions for meal charges.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

Performance: Observed written approvals of credit card transactions. Management reviews all transactions and then agrees to support before payment.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) For each transaction, compare 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) and report any exceptions.

Performance: Compared transaction detail to the written policies and Louisiana Public Bid Law.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) For each transaction, compare 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

Performance: Inspected all transactions for compliance with Article 7, Section 14 of the Louisiana Constitution.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on the travel and expense reimbursements:

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

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Procedures performed on the travel and expense reimbursements (continued):

Performance: Obtained a listing of all travel and related expense reimbursements including the above-mentioned information, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Performance: Compared transaction detail to the written policies; and to the per diem and mileage rates established by the U.S. General Services Administration.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Performance: Selected the 3 employees with the most travel costs during the period and the highest travel expenditure reimburse for each. Compared documentation to the applicable rates listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Report whether each expense is supported by:

- 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.]

Performance: Traced each expense to the original itemized receipt with detail of reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on the travel and expense reimbursements (continued):

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

Performance: Traced each expense to the original itemized receipt with detail of reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

Performance: Traced each expense to the original itemized receipt with documentation for reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Compare 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). Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Performance: Inspected all transactions for compliance with Article 7, Section 14 of the Louisiana Constitution.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Performance: Inspected all transactions for documentation of review and approval in writing other than the person receiving the reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on contracts:

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

Performance: Obtained a listing of all contracts, and received management's representation that it was complete.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

21. Using the listing above, select 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). Obtain the related contracts and paid invoices and:

a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

Performance: Obtained a copy and reviewed 5 of the 12 contracts in effect for the fiscal year.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

b) Compare 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:

➤ 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)

Performance: Compared 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.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

➤ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Performance: Compared each contract's detail noting whether the entity solicited quotes as a best practice.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Procedures performed on contracts (continued):

- 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.
Performance: Inspected contract and inquired of management whether the contract was amended. None of the contracts were amended during the year.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
Performance: Inspected contract to agree to the actual expenditure.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrson Act or Home Rule Charter).
Performance: Observed approval of contract by management.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Procedures performed on payroll and personnel:

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete.
Performance: Obtained a listing of employees with their related salaries, and received management's representation that it was complete.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
Performance: Compared compensation from the approved pay letter in personnel folders with payments made to employees during the fiscal year.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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Procedures performed on payroll and personnel (continued):

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Performance: Observed the written policy and traced all salary adjustments approved in writing as per the policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Performance: Randomly selected one pay period to test leave taken during that period. Inspected 6 daily attendance and leave records for proper documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

Performance: Reviewed documentation of daily attendance and leave records for proper approval.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Reviewed documentation of daily attendance and leave records each employee eligible for leave.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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Procedures performed on payroll and personnel (continued):

Performance: Obtained list of terminated employees during the fiscal period and management's representation that the list is complete. Of the terminated employees, we traced the 2 employees with the largest termination payments to their personnel files to determine if payments were made in strict accordance with the written policies.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether 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.

Performance: Reviewed payroll and retirement forms filed along with cancelled checks and EFT documentation for the fiscal year to determine if all forms were submitted to the proper agencies by the required deadlines.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on ethics:

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Performance: Performed a search on the LA Ethics Board website for the 5 employees selected for compliance documentation certificates.

Exceptions: Four out of the 5 employees selected for testing did not obtain the ethics compliance certificate certifying that the required training was completed.

Management's response: Management is in the process of installing a new system with a Compliance officer who will oversee the ethics system to track and store the ethics certificates.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

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Procedures performed on ethics (continued):

Performance: Inquired of management whether any alleged ethics violations were reported during the fiscal year and management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Procedures performed on debt service:

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Performance: No debt was issued during the fiscal period.

Exceptions: Not applicable.

Management's response: Not applicable.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Performance: Not applicable.

Exceptions: Not applicable.

Management's response: Not applicable.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Performance: Not applicable.

Exceptions: Not applicable.

Management's response: Not applicable.

Other Procedures performed:

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Performance: Inquired of management whether any misappropriations of public funds or assets during the fiscal year and management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Other Procedures performed:

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Performance: Inquired of management and observed such notice posted as required.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Performance: Inspected all procedures, and the results of such procedures and compared them to management's representation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.