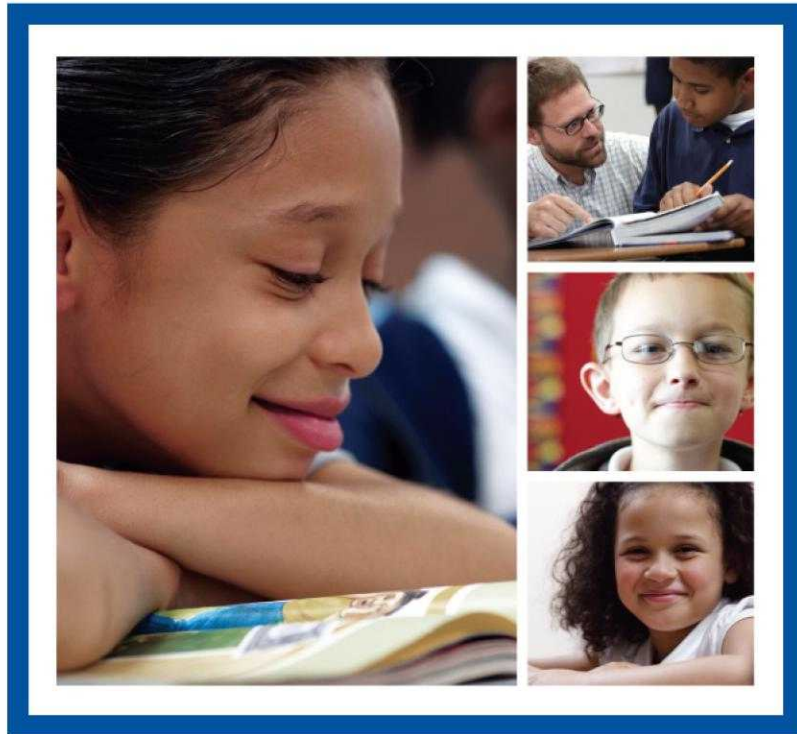


INSPIRE CHARTER ACADEMY, INC.



Financial Statements as of and for the Year
Ended June 30, 2016, and Independent
Auditor's Reports

INSPIRE CHARTER ACADEMY, INC.

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS AS OF AND FOR THE YEAR JUNE 30, 2016:	
Statement of Financial Position	3
Statement of Activities and Change in Net Assets	4
Statement of Cash Flows	5
Schedule of Functional Expenses	6
Notes to Financial Statements	7-10
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	11-12
SUPPLEMENTAL INFORMATION	13
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	14
INDEPENDENT AUDITORS' REPORT ON APPLYING AGREED-UPON PROCEDURES	15-18
Schedules Required by Louisiana State Law (R.S. 24:514 – Performance and Statistical Data)	19-20
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	21
Education Levels of Public School Staff	22
Number and Type of Public Schools	23
Experience of Public Principals, Deans, and Full Time Classroom Teachers	24
Public School Staff Data	25
Class Size Characteristics	26

INSPIRE CHARTER ACADEMY, INC.

TABLE OF CONTENTS

	Page
Louisiana Educational Assessment Program (LEAP)	27
Graduation Exit Exam	28
iLEAP Test Results	29

Independent Auditor's Report

To the Board of Directors
Inspire Charter Academy, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Inspire Charter Academy, Inc. (the "Academy"), which comprise the statement of financial position as of June 30, 2016 and the related statements of activities and change in net assets and cash flows, and the schedule of functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 financial statements referred to above present fairly, in all material respects, the financial position of Inspire Charter Academy, Inc. as of June 30, 2016, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
Inspire Charter Academy, Inc.

Other Information

The schedule of compensation, benefits and other payments to agency head or chief executive officer is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head or chief executive officer 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 September 26, 2016 on our consideration of Inspire Charter Academy, Inc.'s 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 Inspire Charter Academy, Inc.'s internal control over financial reporting and compliance.

Plante & Morse, PLLC

September 26, 2016

INSPIRE CHARTER ACADEMY, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2016

ASSETS

CURRENT ASSETS:

Cash	\$	28,284
Due from governmental revenue sources		<u>726,221</u>

Total current assets		<u>754,505</u>
----------------------	--	----------------

NON-CURRENT ASSETS:

Capital assets		12,065
Less accumulated depreciation		<u>(12,065)</u>

Total capital assets, net of accumulated depreciation		<u>-</u>
---	--	----------

TOTAL	\$	<u><u>754,505</u></u>
-------	----	-----------------------

LIABILITIES AND NET ASSETS

LIABILITIES:

Deferred revenue	\$	6,751
Contracted service fee payable		<u>719,473</u>

Total short term liabilities	\$	<u>726,224</u>
------------------------------	----	----------------

NET ASSETS - Unrestricted and undesignated		<u>28,281</u>
--	--	---------------

TOTAL	\$	<u><u>754,505</u></u>
-------	----	-----------------------

See notes to financial statements.

INSPIRE CHARTER ACADEMY, INC.

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS YEAR ENDED JUNE 30, 2016

REVENUES GAINS AND OTHER SUPPORT:

State aid	\$	7,837,765
Federal sources		639,770
Private sources		28,836
In-kind contribution - NHA		<u>35,000</u>
Total revenues		<u>8,541,371</u>

EXPENSES:

Contracted services fee		8,506,372
Expenses of the Board of Directors		<u>58,339</u>
Total expenses		<u>8,564,711</u>

CHANGE IN UNRESTRICTED NET ASSETS (23,340)

NET ASSETS:

Beginning of year		<u>51,621</u>
End of year	\$	<u><u>28,281</u></u>

See notes to financial statements.

INSPIRE CHARTER ACADEMY, INC.

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

State aid	\$ 7,772,245
Federal sources	583,466
Private sources	28,836
Payments for services rendered	<u>(8,408,322)</u>
Net cash used in operating activities	<u>(23,775)</u>
NET DECREASE IN CASH	(23,775)
CASH - Beginning of Year	<u>52,059</u>
CASH - End of Year	<u>\$ 28,284</u>

RECONCILIATION OF CHANGE IN NET ASSETS TO CASH USED IN OPERATING ACTIVITIES:

Change in net assets	\$ (23,340)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Change in accounts payable	(437)
Change in due from governmental revenue sources	(121,824)
Change in deferred revenue	6,751
Change in contracted service fee payable	<u>115,075</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (23,775)</u>

NON-CASH ACTIVITIES:

Contribution from NHA	<u>\$ 35,000</u>
-----------------------	------------------

See notes to financial statements.

INSPIRE CHARTER ACADEMY, INC.

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2016

	<u>Program Services</u> Regular and Special Education	<u>Supporting Services</u> Management and General	Total
Contracted Service Fee:			
Instruction:			
Regular Education Programs	\$ 2,735,622	\$ -	\$ 2,735,622
Special Education Programs	273,540	-	273,540
Other Instructional Programs	240,181	-	240,181
Support Services:			
Pupil Support Services	79,608	97,099	176,707
Instructional Staff Services	494,176	396,120	890,296
General Administration	58,643	466,666	525,309
School Administration	311,547	341,629	653,176
Business Services	-	287,651	287,651
Operations and Maintenance	1,399,432	30,198	1,429,630
Central Services	-	789,947	789,947
Other Support Services	-	30,240	30,240
Food Services	474,073	-	474,073
Total Contracted Service Fee	<u>6,066,822</u>	<u>2,439,550</u>	<u>8,506,372</u>
Expenses of the Board of Directors	<u>\$ 58,339</u>	<u>\$ -</u>	<u>\$ 58,339</u>
Total expenses	<u>\$ 6,125,161</u>	<u>\$ 2,439,550</u>	<u>\$ 8,564,711</u>

See notes to financial statements.

INSPIRE CHARTER ACADEMY, INC.

NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

1. NATURE OF OPERATIONS

Inspire Charter Academy, Inc. (the "Academy") was incorporated on June 16, 2009 as a non-profit corporation under the laws of the State of Louisiana and began operations on July 1, 2010 as a public charter school as defined by the Charter School Demonstration Programs Law, LA. R.S. 17:3971 *et seq.* The Academy provides education based on rigorous teaching methods, parental involvement, student responsibility, and basic moral values. The Academy operates under a charter approved by the East Baton Rouge Parish School Board, which is responsible for oversight of the Academy's operations. The charter expires June 30, 2018, and is subject to renewal. Management believes the charter will be renewed in the ordinary course of business. The Academy provides education, at no cost to the parent, to students in kindergarten through the eighth grade. Enrollment is open to all appropriately aged children without regard to gender, ethnic background, disability, and/or religious affiliation. The School has applied to the Internal Revenue Service for recognition of its exemption from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3).

The Academy's primary source of revenue is provided by the State of Louisiana through its Minimum Foundation Program and consists of an amount per student multiplied by weighted average student counts. The state revenue, which passes through the East Baton Rouge Parish School Board, is recognized ratably over the school year and is funded through payments from July 2015 through June 2016.

The Board of Directors of the Academy has entered into a services agreement (the "agreement") with National Heritage Academies, Inc. (NHA) which requires NHA to provide administration, strategic planning and all labor, materials, equipment, and supervision necessary for the provision of educational services to students. As part of the consideration received under the agreement, NHA also provides the facility in which the Academy operates. The agreement will continue until termination or expiration of the charter contract, unless at least 90 days written notice of intent to terminate or renegotiate is given by either the Academy or NHA.

Under the terms of the agreement, NHA receives as remuneration for its services an amount equal to the total revenue received by the Academy from all revenue sources. Revenues — In-kind contribution — NHA represents a contribution granted by NHA for the excess of Academy expenditures over public revenues available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The financial statements of the Academy are prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“generally accepted accounting principles”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash — Cash as of June 30, 2016 represents bank deposits which are covered by federal depository insurance.

Capital Assets — Capital assets consist of other equipment and other property purchased with the proceeds of federal grants with a cost of \$5,000 or more, title to which is retained by the Academy. All other property and equipment used by the Academy is the property of NHA. Capital assets are depreciated over five years.

The Financial Statements — The financial statements are presented as follows:

Net assets and changes therein are classified and reported as follows:

- *Unrestricted Net Assets* — Net assets, which are not subject to donor, imposed or governmental stipulations. All net assets as of June 30, 2016 are considered to be unrestricted.

Revenues and contributions are reported as follows:

- Revenues, gains and other support are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed or governmental restrictions. Expenses are reported as decreases in unrestricted net assets. Other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or governmental restriction. Expiration of temporary restrictions on net assets (i.e., the donor-stipulated purposes have been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. For the year ended June 30, 2016, all revenue sources were unrestricted.
- Revenue is recorded when earned, regardless of the timing of related cash flows. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Income Taxes — The Academy operates as a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Academy has received notification from the Internal Revenue Service (IRS) that they are considered exempt from Federal income tax under Section 501(c)(3) of the internal revenue code.

The Academy has evaluated its position regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions. The Academy recognizes the effect of income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. The determination of whether or not a tax position has met the more-likely-than-not recognition threshold considers the facts, circumstances and other information available at the reporting date and is subject to management's judgment. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. The Academy is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations prior to June 30, 2013.

3. RISK MANAGEMENT

The Academy is exposed to various risks of loss related to general liability. Commercial insurance policies to cover certain risks of loss have been obtained. There have been no significant reductions in insurance coverage during fiscal year 2016, and claims did not exceed coverage less retained risk deductible amounts in past fiscal year.

4. CONTINGENCIES

The Academy has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

5. CAPITAL ASSETS

Capital asset activity of the Academy was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities —				
Other equipment	\$ 12,065	\$ -	\$ -	\$ 12,065
Total capital assets at historical cost	<u>12,065</u>	<u>-</u>	<u>-</u>	<u>12,065</u>
Less accumulated depreciation —				
Other equipment	<u>12,065</u>	<u>-</u>	<u>-</u>	<u>12,065</u>
Total accumulated depreciation	<u>12,065</u>	<u>-</u>	<u>-</u>	<u>12,065</u>
Total capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

6. OPERATING LEASE

The Academy has entered into a sublease agreement with NHA for a facility to house the Academy. The lease term is from July 1, 2015 through June 30, 2018. Annual rental payments required by the lease are \$1,044,960, payable in 12 monthly payments of \$87,080.

7. COMPENSATION OF BOARD OF DIRECTORS

All members of the Board of Directors serve as volunteers without compensation. By resolution of the Board, Directors may be reimbursed for their reasonable expenses incident to their duties in accordance with applicable laws.

8. SUBSEQUENT EVENTS

Events or transactions occurring after June 30, 2016 have been evaluated through September 26, 2016, the date the financial statements were available to be issued. The financial statements and notes thereto do not reflect events or transactions after this date.

* * * * *

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*

Independent Auditor's Report

To Management and the Board of Directors
Inspire Charter Academy, 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 Inspire Charter Academy, Inc. (the "Academy"), which comprise the statement of financial position as of June 30, 2016 and the related statements of activities and change in net assets and cash flows and the schedule of functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 26, 2016.

Internal Control Over Financial Reporting

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

To Management and the Board of Directors
Inspire Charter Academy, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Inspire Charter Academy, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of 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 Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

September 26, 2016

SUPPLEMENTAL INFORMATION

INSPIRE CHARTER ACADEMY, INC.

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
OR CHIEF EXECUTIVE OFFICER
YEAR ENDED JUNE 30, 2016**

Agency Head Name: Kimberly Robinson, Board President

Purpose	Amount
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits-Other (describe)	-
Benefits-Other (describe)	-
Benefits-Other (describe)	-
Car allowance	-
Vehicle provided by government (enter amount reported on W-2)	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses (example: travel advances, etc.)	-
Special meals	-
Other	-

Independent Accountant's Report on
Applying Agreed-upon Procedures

To the Board of Directors
Inspire Charter Academy, Inc.
5454 N. Foster Drive
Baton Rouge, LA 70805

Dear Board Members:

We have performed the procedures enumerated below, which were agreed to by Inspire Charter Academy, Inc. (the "Academy") solely to assist users in evaluating management's preparation of the performance and statistical data schedules required by Louisiana State Law (R.S. 24:514 Performance and Statistical Data) relating to Inspire Charter Academy, Inc. for the year ended June 30, 2016. The Academy's management is responsible for its performance and statistical data. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana. 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 that we performed and our findings 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/revenue were classified correctly and were 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

Exception Noted: None

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1, 2015.

Exception Noted: None

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

Exception Noted: None

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2015 and as reported on the schedule. We traced a random sample of 25 teachers to the individuals' personnel files and determined if each individual's education level was properly classified on the schedule.

Exception Noted: Based on review of supporting documentation, for the 25 teachers selected for testing, there was one teacher identified during testing with an improperly categorized education level. The teacher selected had properly completed their bachelor's degree as of October 1, 2015 and was currently enrolled in a program to earn a master's degree. The teacher's status was improperly updated to having achieved a master's degree as of October 1, 2015.

Number and Type of Public Schools (Schedule 3)

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

Exception Noted: None

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

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2015 and as reported on the schedule and traced the same sample used in Procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Exception Noted: Based on review of supporting documentation, for the 25 teachers selected for testing, there were five teachers identified with improperly categorized years of experience as of October 1, 2015.

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 individuals' personnel files and determined if each individual's salary, extra compensation, and the full-time equivalents were properly included on the schedule.

Exception Noted: None

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

Exception Noted: None

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, 2015 roll books for those classes and determined if the class was properly classified on the schedule.

Exception Noted: None

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Inspire Charter Academy, Inc.

Exception Noted: None

Graduation Exit Examination (GEE) (Schedule 8)

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

iLEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Inspire Charter Academy, Inc.

Exception Noted: None

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 information and use of the specific party above and is not intended to be, and should not be, used by anyone other than this specified party.

Plante & Moran, PLLC

September 26, 2016

INSPIRE CHARTER ACADEMY, INC.

Schedules Required by Louisiana State Law

(R.S. 24:514 – Performance and Statistical Data)

As of and for the year ended June 30, 2016

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 deans 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, Deans, and Full Time Classroom Teachers

This schedule includes the number of years of experience in teaching for principals, deans, 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

This schedule includes average classroom teachers' 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.

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery Basic, Approaching Basic, and Unsatisfactory.

Schedule 8 - Graduation Exit Exam

Not applicable.

Schedules 9 - iLEAP Test Results

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, and 7 for each district. The summary score reported is the Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the state. This schedule includes one year of data.

**INSPIRE CHARTER ACADEMY
BATON ROUGE, LOUISIANA**

Schedule 1

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2016**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures

Teacher and Student Interaction Activities		
Classroom Teacher Salaries	\$ 1,700,431	
Other Instructional Staff Salaries	313,211	
Instructional Staff Employee Benefits	538,993	
Purchased Professional and Technical Services	80,953	
Instructional Materials and Supplies	217,300	
Instructional Equipment	<u>34,552</u>	
Total Teacher and Student Interaction Activities		\$ 2,885,440
Other Instructional Activities		84,988
Pupil Support Services	142,965	
Less: Equipment for Pupil Support Services	<u>-</u>	
Net Pupil Support Services		142,965
Instructional Staff Services	591,601	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		591,601
School Administration	589,651	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>589,651</u>
Total General Fund Instructional Expenditures		<u>\$ 4,294,645</u>
Total General Fund Equipment Expenditures		<u>\$ 34,552</u>

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

INSPIRE CHARTER ACADEMY
 BATON ROUGE, LOUISIANA
 Education Levels of Public School Staff
 As of October 1, 2015

Schedule 2

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	0%	-	-	-	0%	-	-
Bachelor's Degree	24	73%	-	-	-	0%	-	-
Master's Degree	9	27%	-	-	1	100%	-	100%
Master's Degree + 30	-	0%	-	-	-	0%	-	-
Specialist in Education	-	0%	-	-	-	0%	-	-
Ph. D. or Ed. D.	-	0%	-	-	-	0%	-	-
Total	33	100%	-	-	1	100%	-	100%

See independent accountant's report on applying agreed upon procedures.
 Status: as of October 1, 2015

**INSPIRE CHARTER ACADEMY
BATON ROUGE, LOUISIANA
Number and Type of Public Schools
For the Year Ended June 30, 2016**

Schedule 3

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

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

**INSPIRE CHARTER ACADEMY
 BATON ROUGE, LOUISIANA
 Experience of Public Principals, Deans,
 and Full Time Classroom Teachers
 As of October 1, 2015**

Schedule 4

	0 - 1 Yr.	2 - 3 Yrs.	4 - 10 Yrs.	11 - 14 Yrs.	15 - 19 Yrs.	20 - 24 Yrs.	25+ Yrs.	Total
Principals							1	1
Assistant Principals								0
Classroom Teachers	8	8	11	2		1	3	33
Total	8	8	11	2	0	1	4	34

See independent accountant's report on applying agreed upon procedures.
 Status: as of October 1, 2015

INSPIRE CHARTER ACADEMY
 BATON ROUGE, LOUISIANA
 Public School Staff Data
 For the Period July 1, 2015 Through June 30, 2016

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$48,776.30	\$48,776.30
Average Classroom Teachers' Salary Excluding Extra Compensation	\$48,141.45	\$48,141.45
Number of Teacher Full Time Equivalents (FTEs) Used in Computation of Average Salaries	33	33

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

INSPIRE CHARTER ACADEMY
 BATON ROUGE, LOUISIANA
 Class Size Characteristics
 As of October 1, 2015

Schedule 6

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	18%	5	29%	8	49%	14	4%	1

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

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2016

District Achievement Level Results	English Language Arts			Mathematics		
	2016	2015	2014	2016	2015	2014
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	0	4	10	5	9
Mastery	28	18	24	26	16	14
Basic	23	19	19	25	27	28
Approaching Basic	25	25	19	25	16	22
Unsatisfactory	23	38	34	14	36	27
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2016	2015	2014	2016	2015	2014
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	1	2	0	0	1
Mastery	15	19	8	11	15	9
Basic	38	36	37	27	32	30
Approaching Basic	23	23	22	40	27	24
Unsatisfactory	23	21	31	22	26	36
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2016	2015	2014	2016	2015	2014
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	0	1	0	0	1
Mastery	16	13	4	14	6	2
Basic	34	20	37	29	20	59
Approaching Basic	30	43	31	38	51	16
Unsatisfactory	19	24	27	19	23	22
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2016	2015	2014	2016	2015	2014
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	0	0	1	0	0	2
Mastery	11	23	5	13	9	5
Basic	33	38	34	15	31	43
Approaching Basic	36	31	37	47	53	28
Unsatisfactory	20	8	23	25	7	22
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2016	2015	2014	2016	2015	2014
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	0	4	0	0	1
Mastery	16	13	8	6	7	4
Basic	34	36	51	33	36	50
Approaching Basic	30	40	25	51	39	29
Unsatisfactory	19	11	12	10	18	16
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2016	2015	2014	2016	2015	2014
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	0	0	0	0	2	0
Mastery	16	34	4	9	14	0
Basic	27	38	53	20	30	55
Approaching Basic	41	20	39	35	42	29
Unsatisfactory	16	8	4	36	12	16
Total	100	100	100	100	100	100

**INSPIRE CHARTER ACADEMY
BATON ROUGE, LOUISIANA
Graduation Exit Exam
For the Year Ended June 30, 2016**

Schedule 8

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

ILEAP Test Results
For the Year Ended June 30, 2016

District Achievement Level Results	Science			Social Studies		
	2016	2015	2014	2016	2015	2014
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	19	6	1	N/A	5	5
Mastery	19	12	14	N/A	16	16
Basic	22	22	29	N/A	35	26
Approaching Basic	28	42	25	N/A	22	16
Unsatisfactory	12	18	31	N/A	22	37
Total	100	100	100	N/A	100	100

District Achievement Level Results	Science			Social Studies		
	2016	2015	2014	2016	2015	2014
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	0	1	N/A	0	1
Mastery	5	4	1	N/A	3	1
Basic	39	30	32	N/A	45	36
Approaching Basic	39	36	45	N/A	22	34
Unsatisfactory	16	30	21	N/A	30	28
Total	100	100	100	N/A	100	100

District Achievement Level Results	Science			Social Studies		
	2016	2015	2014	2016	2015	2014
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	0	1	1	N/A	3	1
Mastery	5	1	1	N/A	4	2
Basic	41	26	25	N/A	25	35
Approaching Basic	32	31	32	N/A	35	31
Unsatisfactory	22	41	41	N/A	33	31
Total	100	100	100	N/A	100	100

District Achievement Level Results	Science			Social Studies		
	2016	2015	2014	2016	2015	2014
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	0	0	1	N/A	12	2
Mastery	4	4	5	N/A	24	5
Basic	33	36	34	N/A	46	33
Approaching Basic	47	41	49	N/A	15	51
Unsatisfactory	16	19	11	N/A	3	9
Total	100	100	100	N/A	100	100

District Achievement Level Results	Science			Social Studies		
	2016	2015	2014	2016	2015	2014
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	0	2	N/A	0	8
Mastery	12	24	8	N/A	18	27
Basic	38	38	64	N/A	59	53
Approaching Basic	33	31	20	N/A	17	8
Unsatisfactory	15	7	6	N/A	6	4
Total	100	100	100	N/A	100	100

District Achievement Level Results	Science			Social Studies		
	2016	2015	2014	2016	2015	2014
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	0	0	N/A	1	1
Mastery	1	4	2	N/A	8	8
Basic	45	39	51	N/A	63	65
Approaching Basic	37	41	35	N/A	18	22
Unsatisfactory	16	16	12	N/A	10	4
Total	100	100	100	N/A	100	100