

FIRSTLINE SCHOOLS, INC.

**FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2015**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date FEB 24 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
FirstLine Schools, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of **FirstLine Schools, Inc. (FirstLine)** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 from material misstatement.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Board of Directors of
FirstLine Schools, Inc.

Auditors' Responsibility, Continued

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider 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 **FirstLine** as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Board of Directors of
FirstLine Schools, Inc.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Also, the accompanying Combining Schedules and Schedule of Compensation, Benefits, and Other Payments to the Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Board of Directors of
FirstLine Schools, Inc.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2015, on our consideration of FirstLine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering FirstLine's internal control over financial reporting and compliance.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 16, 2015

FIRSTLINE SCHOOLS, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

ASSETS

Cash and cash equivalents (NOTES 1 and 4)	\$ 3,437,895
Cash held for others	249,843
Grants receivable (NOTE 8)	2,023,961
Other receivables	1,045,116
Prepaid expenses	76,149
Other assets	50,454
Property and equipment, net (NOTES 1 and 2)	<u>1,177,341</u>
 Total assets	 <u><u>\$ 8,060,759</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	\$ 1,285,288
Accrued liabilities	1,435,078
Funds held on behalf of others	<u>249,843</u>
 Total liabilities	 <u>2,970,209</u>
Net Assets:	
Unrestricted	<u>5,090,550</u>
 Total net assets	 <u>5,090,550</u>
 Total liabilities and net assets	 <u><u>\$ 8,060,759</u></u>

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

FIRSTLINE SCHOOLS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Unrestricted	Temporarily Restricted	Total
<u>REVENUES</u>			
Local sources:			
Minimum Foundation Program	\$ 15,349,341	\$ -	\$ 15,349,341
Management fee	93,010	-	93,010
Contributions	1,237,354	614,813	1,852,167
Interest earnings	462	-	462
Charges for food services	21,511	-	21,511
Fundraising activities	138,420	-	138,420
Other	222,828	-	222,828
Total local sources	<u>17,062,926</u>	<u>614,813</u>	<u>17,677,739</u>
State sources:			
Minimum Foundation Program	13,224,214	-	13,224,214
Grants	652,063	-	652,063
Total state sources	<u>13,876,277</u>	<u>-</u>	<u>13,876,277</u>
Federal grants	8,551,113	-	8,551,113
Net assets released from restrictions (NOTE 7)	614,813	(614,813)	-
Total revenues	<u>40,105,129</u>	<u>-</u>	<u>40,105,129</u>
<u>EXPENSES</u>			
Program Services:			
Instruction programs	20,106,898	-	20,106,898
Support Services:			
Pupil support services	2,820,201	-	2,820,201
Instructional staff services	1,485,563	-	1,485,563
School administration	3,696,584	-	3,696,584
Business services	3,014,723	-	3,014,723
Operations and maintenance	3,493,987	-	3,493,987
Student transportation services	3,399,577	-	3,399,577
Central services	369,961	-	369,961
Food services operations	2,549,636	-	2,549,636
Fundraising	34,306	-	34,306
Depreciation	450,687	-	450,687
Total expenses	<u>41,422,123</u>	<u>-</u>	<u>41,422,123</u>
Changes in net assets	(1,316,994)	-	(1,316,994)
Net assets, beginning of year	6,407,544	-	6,407,544
Net assets, end of year	<u>\$ 5,090,550</u>	<u>\$ -</u>	<u>\$ 5,090,550</u>

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

FIRSTLINE SCHOOLS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES:	
Changes in net assets	\$ (1,316,994)
Adjustments to reconcile changes in net assets to net cash used in operating activities:	
Depreciation expense	450,687
Changes in assets and liabilities:	
Decrease in prepaid expense	174,978
Increase in grants receivable	(934,717)
Decrease in other receivables	144,811
Increase in accounts payable	287,344
Increase in accrued liabilities	116,480
Decrease in funds held on behalf of others	<u>(13,248)</u>
Net cash used in operating activities	<u>(1,090,659)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of property and equipment	<u>(512,558)</u>
Net cash used in investing activities	<u>(512,558)</u>
Decrease in cash and cash equivalents	(1,603,217)
Cash and cash equivalents, beginning of year	<u>5,290,955</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,687,738</u></u>

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

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - **NATURE OF ACTIVITIES AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES:**

General

FirstLine Schools, Inc. (FirstLine) is a nonprofit organization formed in 1998 to serve as the chartering group for Arthur Ashe Charter School (Ashe) formerly known as New Orleans Charter Middle School (NOCMS). **FirstLine** was also granted charters by the Louisiana Board of Elementary and Secondary Education (BESE) to operate Samuel J. Green Charter School (Green) beginning in the 2005-2006 school year, John Dibert Charter School (Dibert) beginning in the 2010-2011 school year, Joseph S. Clark Charter School (Clark) beginning in the 2011-2012 school year and Langston Hughes Charter School (Hughes) beginning in the 2012-2013 school year. The board of directors consists of individuals with experience in business and education that have an interest in public education.

The mission of **FirstLine** is to create and inspire great open admissions public schools in New Orleans. **FirstLine's** schools will prepare students for college and fulfilling careers by achieving the following primary objectives:

- o Ensuring all of its students are on track to be academically prepared for success in a college preparatory high school and college as demonstrated by achievement, aspiration, love of learning, and confidence;
- o Providing a rich variety of experiences for its students to nurture character, health, and active citizenship; and
- o Developing the skillfulness of its staff and building sustainable organizations that facilitate its long-term success.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

General, Continued

In the 2014-2015 school year, Green, Ashe, Dibert, Clark and Hughes served the following number of students:

Green	525
Ashe	681
Dibert	586
Clark	422
Hughes	<u>813</u>
Total	<u>3,027</u>

Basis of Accounting

FirstLine's financial statements are prepared on the accrual basis and in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

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 effect 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 the reporting period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment of FirstLine with a cost of \$5,000 or more are recorded as assets (capitalized) and are stated at historical costs, if purchased, or at fair market value at the date of the gift, if donated. Additions, improvements and expenditures that significantly extend the useful life of an asset are capitalized.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:**

Property and Equipment, Continued

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific use.

Grant Revenue

Revenues from governmental grants are recognized when allowable expenses are made by **FirstLine**. Funds received for specific purposes but not yet expended are recorded as deferred revenue.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. The financial statements do not include an estimate for allowance for doubtful accounts. Management believes that all receivables are collectible.

Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash equivalents include all highly liquid instruments purchased with original maturities of three (3) months or less. The caption cash and cash equivalents on the Statement of Cash Flows includes cash and cash equivalents and cash held for others from the Statement of Financial Position.

Income Taxes

FirstLine is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

FirstLine files as a tax-exempt organization. Should that status be challenged in the future, **FirstLine's** 2015, 2014 and 2013 tax years are open for examination by the IRS.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:**

Financial Statement Presentation

For the year ended June 30, 2015, **FirstLine** followed the requirements of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Section 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*, in the presentation of its financial statements. Under FASB ASC Section 958-205, **FirstLine** is required to report, as applicable, information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets. In addition, **FirstLine** is required to present a statement of cash flows.

A description of the three net asset categories is as follows:

- o Unrestricted net assets include support, revenues, and expenses for the general operations of **FirstLine**.
- o Temporarily restricted net assets include contributions for which donor-imposed restrictions have not been met.
- o Permanently restricted net assets are contributions which are required by donor-imposed restriction to be held in perpetuity and only the income be made available for program operations in accordance with the donor restrictions. Such income is reflected in temporarily restricted net assets until utilized for donor-imposed restrictions.

At June 30, 2015, **FirstLine** had no temporarily and permanently restricted net assets.

Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded as pledges receivable at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Conditional promises to give are not included as support until the conditions are substantially met. Management has determined that the pledges receivable are fully collectible; therefore, no allowance for uncollectible accounts is considered necessary at

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 1 - **NATURE OF ACTIVITIES AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:**

Contributions

FirstLine accounts for contributions in accordance with FASB ASC Section 958-605, *Not-for-Profit Entities, Revenue Recognition*, in accounting for contributions received and contributions made. In accordance with FASB ASC Section 958-605, contributions are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence and nature of any donor imposed restrictions.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Minimum Foundation Program (MFP)

As Type 5 charter schools, Ashe, Green, Dibert, Clark and Hughes received funding from BESE in an amount for pupils based on estimated daily attendance of pupils at the schools. The amount of funding received is adjusted during the school year based on the October 1st and February 1st student counts and the results of any audits performed.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among program and support services in the accompanying statement of activities.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY
OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:**

Vacation Leave

Vacation for full-time employees is accrued on a monthly basis. Employees receive two (2) weeks annual vacation for the first five (5) years of employment. After five (5) years, employees receive three (3) weeks of vacation. After eleven (11) years, employees receive four (4) weeks of vacation. Vacation days do not accrue.

Paid Leave

Employees earn ten (10) days paid leave per year to be used in the event of their own illness, a family illness, bereavement, or personal business. Such paid leave may be used for the purpose of visiting doctors, dentist or other recognized practitioners. Employees may also use paid leave for the above reasons when it relates to immediate family members only. Paid leave cannot be carried from one year to the next, and FirstLine will not pay the employee for unused leave upon termination.

NOTE 2 - PROPERTY AND EQUIPMENT:

The following is a summary of property and equipment at June 30, 2015:

Land	\$ 524,704
Building improvements	1,579,027
Equipment	1,794,663
Construction-in-progress	<u>109,525</u>
Total property and equipment	4,007,919
Less: accumulated depreciation	<u>(2,830,578)</u>
Net property and equipment	<u>\$ 1,177,341</u>

For the year ended June 30, 2015, depreciation expense was \$450,687.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 3 - RISK MANAGEMENT:

FirstLine is exposed to various risks of loss related to torts, theft of, damage to and destruction of property for which **FirstLine** carries commercial liability insurance coverage.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

NOTE 4 - CONCENTRATION OF CREDIT RISK:

FirstLine maintains noninterest-bearing and interest-bearing accounts at local banks. The Federal Deposit Insurance Corporation (FDIC) provides insurance coverage on deposit accounts for deposit amounts up to \$250,000. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Total uninsured cash balances at June 30, 2015 were \$3,395,128.

NOTE 5 - CONTINGENCY:

FirstLine is a recipient of grants from local, state and federal funding agencies. The grants are governed by various local, state and federal guidelines, regulations, and contractual agreements.

The administration of the programs and activities funded by these grants are under the control and administration of **FirstLine** and are subject to audit and/or review by grantors. Any grant funds found to be not properly spent in accordance with the terms, conditions, and regulations of local, state and federal agencies may be subject to recapture.

NOTE 6 - IN-KIND CONTRIBUTIONS:

FirstLine received rent-free use of school buildings and certain furniture and equipment from the Louisiana Recovery School District for Ashe, Green, Dibert, Clark and Hughes Charter Schools. The estimated values of the buildings, furniture and equipment were not readily determinable and no amounts have been recorded in the accompanying financial statements.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - IN-KIND CONTRIBUTIONS, CONTINUED:

FirstLine also receives donated services from a number of unpaid volunteers assisting **FirstLine** with its programs, activities, and operations. An estimated value of these services cannot be reasonably determined as a result of the variety of services provided by and the varying qualifications of the volunteers. Because the criteria for recognition under FASB ASC Section 958-605-25 have not been satisfied, these donated services are not recorded in the financial statements.

NOTE 7 - NET ASSETS RELEASED FROM RESTRICTIONS:

For the year ended June 30, 2015, net assets were released from donor restrictions in the amount of \$614,813 by incurring expenses satisfying the restricted purposes specified by donors for the Edible School Yard Program.

NOTE 8 - GRANTS RECEIVABLE:

At June 30, 2015, grants receivable consisted of the following:

Federal grants passed-through	
New Schools for New Orleans	\$ 158,828
U.S. Department of Agriculture	481,601
State of Louisiana, Department of Education	1,283,532
Private Sources	<u>100,000</u>
	<u>\$2,023,961</u>

NOTE 9 - SUBSEQUENT EVENTS:

FirstLine is required to evaluate events or transactions that may occur after the statement of financial position date for potential recognition or disclosure in the financial statements. **FirstLine** performed such an evaluation through December 16, 2015, the date which the financial statements were available to be issued, and noted no subsequent events or transactions that occurred after the statement of financial position date requiring recognition or disclosure.

FIRSTLINE SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 10 - BOARD COMPENSATION:

The Board of Directors of **FirstLine** is a voluntary board; therefore, no compensation was paid to any board member during the year ended June 30, 2015.

NOTE 11 - CONCENTRATION OF REVENUE SOURCE:

FirstLine's primary source of funding is through the Minimum Foundation Program (MFP) funded by the State Public School Fund. **FirstLine** receives a State allocation and a local allocation per eligible student in attendance at the official pupil count date of October 1, each year. MFP revenue accounts for 71% of **FirstLine's** total support for the year ended June 30, 2015.

SUPPLEMENTARY INFORMATION

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

SCHEDULE I

Federal Grantor/Program Name	Federal CFDA Number	Federal Expenditure
<u>U.S. Department of Education</u>		
<i><u>Awards from a Pass-Through Entity</u></i>		
<i><u>Passed-Through: LA State Department of Education</u></i>		
IASA Title I, Part A	84.010	\$ 2,217,056
IASA Title II, Part A	84.367	133,233
IASA Title III, Part A	84.031	11,182
IDEA, Part B	84.027	1,020,142
IDEA, Preschool	84.173	5,638
21st Century	84.287	640,800
Perkins	84.048	77,102
State Personnel Development Grant	84.323	12,785
Hurricane Educator Assistance Program	84.938	10,341
Striving Readers Comprehensive Literacy	84.371	570,967
School Improvement Grants (Section 1003(g) of the ESSEA)	84.377	349,804
Total LA State Department of Education		5,049,050
 <i><u>Passed-Through: New Schools for New Orleans</u></i>		
Teacher Incentive Fund	84.374	103,699
Total New Schools for New Orleans		103,699
Total U.S. Department of Education		5,152,749
 <u>U.S. Department of Agriculture</u>		
<i><u>Awards from a Pass-Through Entity</u></i>		
<i><u>Passed-Through: LA State Department of Education</u></i>		
Child Nutrition Cluster:		
Food Service School Supper Program	10.558	46,912
National School Lunch Program and Breakfast Program	10.555, 10.553	3,208,833
Total U.S. Department of Agriculture		3,255,745
 <u>U.S. Department of Health and Human Services</u>		
<i><u>Awards from a Pass-Through Entity</u></i>		
<i><u>Passed-Through: Recovery School District</u></i>		
Temporary Assistance for Needed Families	93.558	8,595
Total U.S. Department of Health and Human Services		8,595
 <u>U.S. Department of Homeland Security</u>		
<i><u>Awards from a Pass-Through Entity</u></i>		
<i><u>Passed-Through: Governor's Office of Homeland</u></i>		
<i><u>Security and Emergency Preparedness</u></i>		
FEMA Disaster Relief	97.036	134,024
Total U.S. Department of Homeland Security		134,024
Total Expenditures of Federal Awards		\$ 8,551,113

NOTE: The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of FirstLine under programs of the federal government for the year ended June 30, 2015 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of, the basic financial statements.

See Independent Auditors' Report on Supplementary Information.

FIRSTLINE SCHOOLS, INC.
COMBINING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2015

SCHEDULE II

	Edible School Yard	FirstLine Network Activity	Arthur Ashe Charter School	Samuel J. Green Charter School	John Dibert Charter School	Joseph S. Clark Charter School	Langston Hughes Academy Charter School	Eliminations	Total
<u>ASSETS</u>									
Cash and cash equivalents	\$ 115,472	\$ 3,213,777	\$ 45,114	\$ 2,502	\$ 2,117	\$ 2,500	\$ 56,413	\$ -	\$ 3,437,895
Cash held for others	-	114,623	19,129	25,880	12,350	23,925	53,936	-	249,843
Grants receivable	-	161,815	385,839	214,545	459,439	385,151	417,172	-	2,023,961
Other receivables	105,750	933,626	5,040	700	-	-	-	-	1,045,116
Due from other programs	52,924	-	1,858,555	738,817	482,150	214,451	1,216,125	(4,563,022)	-
Prepaid expenses	-	20,017	28,194	27,938	-	-	-	-	76,149
Other assets	-	-	1,611	24,060	9,644	-	15,139	-	50,454
Property and equipment, net	-	156,123	537,298	44,582	194,401	46,474	198,463	-	1,177,341
Total assets	\$ 274,146	\$ 4,599,981	\$ 2,880,780	\$ 1,079,024	\$ 1,160,101	\$ 672,501	\$ 1,957,248	\$ (4,563,022)	\$ 8,060,759
<u>LIABILITIES AND NET ASSETS</u>									
Liabilities:									
Accounts payable	\$ -	\$ 159,129	\$ 353,133	\$ 115,322	\$ 276,465	\$ 115,913	\$ 265,326	\$ -	\$ 1,285,288
Accrued liabilities	15,069	19,361	266,230	234,686	289,214	258,765	351,753	-	1,435,078
Funds held on behalf of others	-	114,623	19,129	25,880	12,350	23,925	53,936	-	249,843
Due to other programs	-	4,563,022	-	-	-	-	-	(4,563,022)	-
Total liabilities	15,069	4,856,135	638,492	375,888	578,029	398,603	671,015	(4,563,022)	2,970,209
Net Assets:									
Unrestricted	259,077	(256,154)	2,242,288	703,136	582,072	273,898	1,286,233	-	5,090,550
Total net assets	259,077	(256,154)	2,242,288	703,136	582,072	273,898	1,286,233	-	5,090,550
Total liabilities and net assets	\$ 274,146	\$ 4,599,981	\$ 2,880,780	\$ 1,079,024	\$ 1,160,101	\$ 672,501	\$ 1,957,248	\$ (4,563,022)	\$ 8,060,759

See Independent Auditors' Report on Supplementary Information.

FIRSTLINE SCHOOLS, INC.
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

SCHEDULE III

	Edible School Yard	FirstLine Network Activity	Arthur Ashe Charter School	Samuel J. Green Charter School	John Dibert Charter School	Joseph S. Clark Charter School	Langston Hughes Academy Charter School	Eliminations	Total
REVENUES									
Local sources:									
Minimum Foundation Program	\$ -	\$ -	\$ 3,392,344	\$ 2,583,458	\$ 3,334,997	\$ 2,089,291	\$ 3,949,251	\$ -	\$ 15,349,341
Administrative fee revenue	-	3,025,399	-	-	-	-	-	(3,025,399)	-
Management Fee	-	93,010	-	-	-	-	-	-	93,010
Contributions-unrestricted	-	335,240	132,032	36,035	175,333	508,526	50,188	-	1,237,354
Contributions-temporarily restricted	614,813	-	-	-	-	-	-	-	614,813
Interest earnings	.59	3	203	197	-	-	-	-	462
Charges for food services	-	10,769	1,596	4,159	2,655	1,869	463	-	21,511
Fundraising activities	138,420	-	-	-	-	-	-	-	138,420
Other	-	95,770	27,678	6,781	5,531	86,752	316	-	222,828
Total local sources	753,292	3,560,191	3,553,853	2,630,630	3,518,516	2,686,438	4,000,218	(3,025,399)	17,677,739
State sources:									
Minimum Foundation Program	-	-	2,880,728	2,396,128	2,453,656	2,150,238	3,343,464	-	13,224,214
Grants	-	-	22,608	32,623	238,356	76,630	281,846	-	652,063
Total state sources	-	-	2,903,336	2,428,751	2,692,012	2,226,868	3,625,310	-	13,876,277
Federal grants	-	353,138	1,920,179	1,269,526	1,640,252	1,150,798	2,217,220	-	8,551,113
Total revenues	753,292	3,913,329	8,377,368	6,328,907	7,850,780	6,064,104	9,842,748	(3,025,399)	40,105,129
EXPENSES									
Program Services:									
Instruction programs	468	303,515	3,793,166	3,405,179	4,142,188	3,304,427	5,157,955	-	20,106,898
Support Services:									
Pupil support services	-	215,701	579,986	633,422	338,321	648,026	404,745	-	2,820,201
Instructional staff services	813,529	390,864	143,626	13,544	97,017	13,589	13,394	-	1,485,563
School administration	-	-	558,222	588,518	633,946	848,578	1,067,320	-	3,696,584
Business services	40	2,950,362	19,433	3,174	15,191	10,639	15,884	-	3,014,723
Operations and maintenance	854	205,091	573,203	516,018	920,710	572,139	705,972	-	3,493,987
Student transportation services	-	-	708,878	499,701	680,560	706,936	803,502	-	3,399,577
Central services	-	369,193	1,098,232	399,444	619,236	-	909,255	(3,025,399)	369,961
Food services operations	-	-	634,913	393,624	652,580	218,438	650,081	-	2,549,636
Fundraising	34,306	-	-	-	-	-	-	-	34,306
Depreciation	33,045	6,168	129,508	79,217	32,869	55,260	114,620	-	450,687
Total expenses	882,242	4,440,894	8,239,167	6,531,841	8,132,618	6,378,032	9,842,728	(3,025,399)	41,422,123
Changes in net assets	(128,950)	(527,565)	138,201	(202,934)	(281,838)	(313,928)	20	-	(1,316,994)
Net assets, beginning of year	388,027	271,411	2,104,087	906,070	863,910	587,826	1,286,213	-	6,407,544
Net assets, end of year	\$ 259,077	\$ (256,154)	\$ 2,242,288	\$ 703,136	\$ 582,072	\$ 273,898	\$ 1,286,233	\$ -	\$ 5,090,550

See Independent Auditors' Report on Supplementary Information.

FIRSTLINE SCHOOLS, INC.
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

SCHEDULE IV

	<u>Edible School Yard</u>	<u>FirstLine Network Activity</u>	<u>Arthur Ashe Charter School</u>	<u>Samuel J. Green Charter School</u>	<u>John Dibert Charter School</u>	<u>Joseph S. Clark Charter School</u>	<u>Langston Hughes Academy Charter School</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:								
Changes in net assets	\$ (128,950)	\$ (527,565)	\$ 138,201	\$ (202,934)	\$ (281,838)	\$ (313,928)	\$ 20	\$ (1,316,994)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:								
Depreciation expense	33,045	6,168	129,508	79,217	32,869	55,260	114,620	450,687
Changes in assets and liabilities:								
Decrease in prepaid expense	-	18,181	35,710	37,640	32,784	10,542	40,121	174,978
Increase in grants receivable	-	(139,204)	(149,498)	(41,684)	(343,975)	(180,528)	(79,828)	(934,717)
(Increase) decrease in other receivables	(74,500)	219,008	(5,040)	(700)	-	6,043	-	144,811
(Increase) decrease in due from other programs	107,024	-	(350,898)	121,303	495,098	464,359	11,450	848,336
Increase (decrease) in accounts payable	(15,687)	(34,686)	196,564	21,048	218,984	(71,143)	(27,736)	287,344
Increase (decrease) in accrued liabilities	6,258	(70,987)	46,545	21,295	33,125	47,523	32,721	116,480
Increase (decrease) in funds held on behalf of others	-	(96,295)	7,972	20,478	2,246	13,898	38,453	(13,248)
Decrease in due to other programs	-	(848,336)	-	-	-	-	-	(848,336)
Net cash provided by (used in) operating activities	<u>(72,810)</u>	<u>(1,473,716)</u>	<u>49,064</u>	<u>55,663</u>	<u>189,293</u>	<u>32,026</u>	<u>129,821</u>	<u>(1,090,659)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Purchases of property and equipment	-	(152,504)	(41,048)	(35,178)	(187,230)	(18,128)	(78,470)	(512,558)
Net cash used in investing activities	<u>-</u>	<u>(152,504)</u>	<u>(41,048)</u>	<u>(35,178)</u>	<u>(187,230)</u>	<u>(18,128)</u>	<u>(78,470)</u>	<u>(512,558)</u>
Increase (decrease) in cash and cash equivalents	(72,810)	(1,626,220)	8,016	20,485	2,063	13,898	51,351	(1,603,217)
Cash and cash equivalents, beginning of year	188,282	4,954,620	56,227	7,897	12,404	12,527	58,998	5,290,955
Cash and cash equivalents, end of year	<u>\$ 115,472</u>	<u>\$ 3,328,400</u>	<u>\$ 64,243</u>	<u>\$ 28,382</u>	<u>\$ 14,467</u>	<u>\$ 26,425</u>	<u>\$ 110,349</u>	<u>\$ 3,687,738</u>

See Independent Auditors' Report on Supplementary Information.

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO THE CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2015

SCHEDULE V

Chief Executive Officer Name: Mr. Jay Altman

<u>Purpose</u>	<u>Amount</u>
Salary	\$150,000
Benefits – insurance	6,004
Benefits – retirement	9,000
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	1,000
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
License fees	-0-
Unvouchered expenses	-0-
Special meals	-0-

See Independent Auditors' Report on Supplementary Information.



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Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

(Retired)
Michael B. Bruno, CPA (2011)

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**To the Board of Directors of
FirstLine Schools, Inc.**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **FirstLine Schools, Inc. (FirstLine)** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 16, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **FirstLine'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 **FirstLine's** internal control. Accordingly, we do not express an opinion on the effectiveness of **FirstLine's** internal control.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

Internal Control Over Financial Reporting, Continued

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

Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **FirstLine'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*.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

FirstLine's Response to Finding

FirstLine's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. FirstLine's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 FirstLine's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering FirstLine's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 16, 2015



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

**To the Board of Directors of
FirstLine Schools, Inc.**

Report on Compliance for Each Major Federal Program

We have audited the compliance of **FirstLine Schools, Inc. (FirstLine)** with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on **FirstLine's** major federal programs for the year ended June 30, 2015. **FirstLine's** major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for **FirstLine's** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

(CONTINUED)

Auditors' Responsibility, Continued

Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about FirstLine's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for FirstLine's major federal programs. However, our audit does not provide a legal determination of FirstLine's compliance.

Opinion on Each Major Federal Program

In our opinion, FirstLine complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2015.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002. Our opinion on each major federal program is not modified with respect to this matter.

FirstLine's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. FirstLine's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

(CONTINUED)

Report on Internal Control Over Compliance

Management of FirstLine is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered FirstLine's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of FirstLine's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

(CONTINUED)

Report on Internal Control Over Compliance, Continued

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-002 to be a significant deficiency.

FirstLine's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. **FirstLine's** response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 16, 2015

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

- A. The type of report issued on the financial statements: **Unmodified Opinion**.
- B. Significant deficiencies in internal control were disclosed by the audit of the financial statements: **Yes**. Material weaknesses: **No**.
- C. Noncompliance which is material to the financial statements: **No**.
- D. Significant deficiencies in internal control over major programs: **Yes** Material weaknesses: **No**.
- E. The type of report issued on compliance for major programs: **Unqualified Opinion**.
- F. Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: **Yes**.
- G. Major programs:
- | | |
|---------------------------------|-------------------|
| U.S. Department of Education: | |
| IASA Title II, | - CFDA No. 84.367 |
| 21 st Century | - CFDA No. 84.287 |
| U. S. Department of Agriculture | |
| Child Nutrition Cluster | - CFDA No. 10.558 |
| | - CFDA No. 10.553 |
| | - CFDA No. 10.555 |

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS, CONTINUED

- H. Dollar threshold used to distinguish between Type A and Type B programs:
\$300,000.
- I. Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133:
Yes.
- J. A management letter issued: No.

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015

SECTION II - FINDINGS RELATED TO THE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

2015-001 Time Reports

Criteria

Management must establish internal control objectives for the accuracy of financial statements and the validity of transactions.

Condition

FirstLine requires employees to complete time reports; however, we noted that the time reports completed at the school site locations were not approved by an appropriate supervisory person.

Cause

FirstLine did not adhere to current written procedures that require time reports to be documented with supervisory review and approval.

Effect

Salaries may be misstated due to fraud or error.

Recommendation

We recommend that **FirstLine** follow its written procedures to review and approve all time reports and that such review and approval to be documented.

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015

**SECTION II - FINDINGS RELATED TO THE FINANCIAL
STATEMENTS REPORTED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

2015-001 Time Reports, Continued

Management's Response

FirstLine agrees with the internal control finding. **FirstLine** has established internal controls to ensure that all time sheets are being reviewed and approved by appropriate personnel. This review will include verification of accuracy and completeness in relation to the employee's regular, overtime and compensatory hours. **FirstLine's** management believes this issue will be 100% corrected by the next audit.

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015

SECTION III - FINDINGS AND QUESTIONED COSTS
RELATED TO FEDERAL AWARDS

2015-002 - Duplicate Costs Reimbursement Requests

CFDA 84.010 - Title I
CFDA 84.287 - 21st Century

Criteria

According to 2 CFR Part 230 Appendix A to Part 230 - General Principles, Section A.b., costs charged to a federal grant program must be reasonable as imposed by the terms and conditions of the award.

Condition

We noted during our audit that **FirstLine** received reimbursement for grant expenses in the amount of \$55,500 from two (2) separate grantors (Title I and 21st Century) for the same grant costs. No other duplicate program grant expense reimbursements were detected during the audit period based on applied audit procedures.

Questioned Costs

\$55,500

Effect

FirstLine received unallowed grant expense reimbursement because duplicate cost reimbursement claims were made for the same costs of computer equipment to two separate grant programs.

Cause

A grant that was being managed outside of **FirstLine's** finance department (21st Century) budgeted expenses that had already been budgeted on Title I. This caused \$55,500 of duplicate expenses to be reimbursed by both grants.

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015

SECTION III - FINDINGS AND QUESTIONED COSTS
RELATED TO FEDERAL AWARDS
(CONTINUED)

2015-002 - Duplicate Costs Reimbursement Requests, Continued

Recommendation

We recommend that **FirstLine** design and implement procedures to ensure that duplicate grant reimbursement requests are not made to grant programs.

Management's Response

FirstLine has volunteered to refund this revenue to the state. Furthermore, **Firstline** has improved its grant budget approval process. All grant budgets are now approved by **FirstLine's** finance department and all reimbursement requests are approved by **FirstLine's** Director of Finance prior to submission. **FirstLine** believes implementing these corrective actions would result in no instances of duplicate reimbursements in the future.

FIRSTLINE SCHOOLS, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

SECTION I - INTERNAL CONTROL AND COMPLIANCE
MATERIAL TO THE FINANCIAL STATEMENTS

No matters reported.

SECTION II - INTERNAL CONTROL AND COMPLIANCE
MATERIAL TO FEDERAL AWARDS

No matters reported.

SECTION III - MANAGEMENT LETTER

No matters reported.

FIRSTLINE SCHOOLS, INC.

EXIT CONFERENCE

The audit report was discussed during the course of the audit and at an exit conference held with management of **FirstLine**. The individuals who participated in those discussions were as follows:

FIRSTLINE SCHOOLS, INC.

Mr. Joseph E. Neary	--	Chief Operating Officer
Mr. Brett G. Hunt	--	Director of Finance

**BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS**

Mr. Larry Jones, CPA	--	Director
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FIRSTLINE SCHOOLS, INC.
INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2015

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**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
FirstLine Schools, Inc.

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **FirstLine Schools, Inc. (FirstLine)** and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data 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). Management of **FirstLine** is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with 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 the report. Consequently, we make no representation regarding the sufficiency of the procedures described on pages 2 to 5 either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 16, 2015

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS

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 reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

We noted two (2) transactions tested were not classified correctly.

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 FirstLine's supporting payroll records as of October 1, 2014.

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

Education Levels of Public School Staff (SCHEDULE 2), Continued

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.

No differences noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2014 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

No differences noted.

Number and Type of Public Schools (SCHEDULE 3)

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

No differences noted.

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, 2014 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.

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

Public School Staff Data (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.

No differences noted.

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

No differences noted.

Class Size Characteristics (SCHEDULE 6)

9. We obtained a list of classes by school, school type and class size as reported on the schedule. We then traced a random sample of 10 classes to the October 1, 2014 roll books for those classes and determined if the class was properly classified on the schedule.

We noted that four (4) out of ten (10) roll books tested did not agree to the class sizes reported to the State Department of Education on October 1, 2014.

Management's Response

Although the Student Information System software that **FirstLine** utilizes, which is a widely adopted Student Information System software title across Louisiana and the country, isn't designed to keep history this way. **FirstLine** has contracted with our vendor for that software and will have a snapshot of data from the exact date we reported it to the State this year and in future years (last year there was a 3-week lag). If given sufficient detail from the State on the methodology for average class size calculation, **FirstLine** should be able to reproduce this information more precisely in future years.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

***Louisiana Educational Assessment Program (LEAP) for
the 21st Century (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 **FirstLine**.

No differences noted.

The Graduation Exit Exam for the 21st Century (SCHEDULE 8)

11. This schedule is not applicable because the Graduate Exit Exam is no longer administered.

The 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 **FirstLine**.

No differences noted.

FIRSTLINE SCHOOLS, INC.
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -
PERFORMANCE AND STATISTICAL DATA)

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 principals 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).

FIRSTLINE SCHOOLS, INC.
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -
PERFORMANCE AND STATISTICAL DATA), CONTINUED

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. This data is currently reported to the Legislature in the Annual School Report (ASR).

SCHEDULE 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by school for grades 4 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data. Testing data for English and Mathematics in 2015 reflects summary scores for the PARCC test, which replaced the LEAP test in those categories.

SCHEDULE 8 - The Graduation Exit Exam (GEE)

This schedule is not applicable because the Graduate Exit Exam is no longer administered.

FIRSTLINE SCHOOLS, INC.
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -
PERFORMANCE AND STATISTICAL DATA), CONTINUED

SCHEDULE 9 - The iLEAP Tests

This schedule represents student performance testing data and includes school summary scores for grades 3, 5, 6 and 7 in each category tested for the 2013, 2014 and 2015 reporting years. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. Testing data for English and Mathematics in 2015 reflects summary scores for the PARCC test, which replaced the LEAP test in those categories.

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2015**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	11,817,789	
Other Instructional Staff Activities		1,624,611	
Employee Benefits		2,708,182	
Purchased Professional and Technical Services		2,249,246	
Instructional Materials and Supplies		871,990	
Instructional Equipment		407,698	
Total Teacher and Student Interaction Activities	\$		19,679,516

Other Instructional Activities 427,382

Pupil Support Activities 2,820,201
Less: Equipment for Pupil Support Activities -
Net Pupil Support Activities 2,820,201

Instructional Staff Services 1,485,563
Less: Equipment for Instructional Staff Services -
Net Instructional Staff Services 1,485,563

School Administration 3,696,584
Less: Equipment for School Administration -
Net School Administration 3,696,584

Total General Fund Instructional Expenditures \$ 28,109,246

Total General Fund Equipment Expenditures \$ -

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 \$ -

Nonpublic Transportation Revenue \$ -

See accompanying independent accountants' report on applying agreed-upon procedures.

Education Levels of Public School Staff
As of October 1, 2014

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	75	75%	66	80%	2	67%	8	53%
Master's Degree	23	23%	13	16%	0	0%	6	40%
Master's Degree +30	0	0%	2	2%	1	33%	0	0%
Specialist in Education	0	0%	0	0	0	0%	0	0%
Ph.D. or Ed.D.	2	2%	1	1	0	0%	1	7%
Total	100	100%	82	100%	3	100%	15	100%

Note: Due to rounding, certain percentage totals may not equal 100%.

See accompanying independent accountants' report on applying agreed-upon procedures.

**Number and Type of Public Schools
For the Year Ended June 30, 2014**

Type	Number
Elementary:	4
Middle/Jr. High	
Secondary	1
Combination	
Total	5

See accompanying independent accountants' report on applying agreed-upon procedures.

**Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2014**

	0 - 1 Yr.	2 - 3 Yrs.	4 - 10 Yrs.	11 - 14 Yrs.	15 - 19 Yrs.	20 - 24 Yrs.	25+ yrs.	Total
Assistant Principals	0	0	7	1	2	0	0	10
Principals	0	0	4	2	0	2	0	8
Classroom Teachers	57	51	53	11	4	3	3	182
Total	57	51	64	14	6	5	3	200

See accompanying independent accountants' report on applying agreed-upon procedures.

Public School Staff Data
For the Year Ended June 30, 2015

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 47,428	\$ 47,315
Average Classroom Teachers' Salary Including Extra Compensation	\$ 48,167	\$ 48,058
Number of Teachers' Full-time Equivalents (FTEs) used in Computation of Average Salaries	172	171

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude 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.

See accompanying independent accountants' report on applying agreed-upon procedures.

**Class Size Characteristics
As of October 1, 2014**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	10.0%	66	15.0%	101	63.0%	432	1%	6
Elementary Activity Classes	0.0%	2	1.0%	9	9.0%	65	1%	5
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High	23.0%	33	42.0%	59	16.0%	23	0%	
High Activity Classes	18.0%	26	1.0%	2	0.0%		0%	
Combination								
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.

See accompanying independent accountants' report on applying agreed-upon procedures.

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2015

District Achievement Level Results	English Language Arts						Mathematics					
	2015		2014		2013		2015		2014		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	1	0%	6	2%	5	2%	0	0%	27	11%	8	3%
Mastery	65	25%	50	20%	35	15%	43	16%	57	23%	49	21%
Basic	108	41%	104	42%	120	51%	86	32%	98	40%	115	48%
Approaching Basic	69	26%	50	20%	54	23%	84	32%	40	16%	37	15%
Unsatisfactory	22	8%	39	16%	23	10%	52	20%	26	10%	30	13%
Total	265	100%	249	100%	237	100%	265	100%	248	100%	239	100%

District Achievement Level Results	Science						Social Studies					
	2015		2014		2013		2015		2014		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	0	0%	0	0%	1	0%	0	0%	0	0%	0	0%
Mastery	6	2%	19	8%	15	6%	6	2%	10	4%	11	5%
Basic	122	46%	97	39%	91	38%	108	41%	123	49%	118	50%
Approaching Basic	95	36%	106	42%	103	43%	84	32%	73	29%	74	31%
Unsatisfactory	42	16%	29	12%	30	13%	67	25%	45	18%	35	15%
Total	265	100%	251	100%	240	100%	265	100%	251	100%	238	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2015		2014		2013		2015		2014		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	7	3%	8	4%	4	2%	8	3%	10	5%	1	1%
Mastery	87	33%	22	12%	38	23%	64	24%	12	6%	6	4%
Basic	93	35%	90	47%	80	48%	59	22%	103	54%	117	69%
Approaching Basic	52	20%	68	36%	40	24%	78	30%	44	23%	33	19%
Unsatisfactory	25	9%	3	2%	5	3%	55	21%	23	12%	13	8%
Total	264	100%	191	100%	167	100%	264	100%	192	100%	170	100%

District Achievement Level Results	Science						Social Studies					
	2015		2014		2013		2015		2014		2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0%	0	0%	1	1%	0	0%	1	1%	1	1%
Mastery	19	7%	16	8%	13	8%	22	8%	25	13%	17	10%
Basic	90	34%	89	46%	87	52%	116	44%	94	49%	99	59%
Approaching Basic	82	31%	69	36%	58	35%	75	28%	60	31%	41	24%
Unsatisfactory	73	28%	19	10%	9	5%	51	19%	13	7%	11	7%
Total	264	100%	193	100%	168	100%	264	100%	193	100%	169	100%

Note: Due to rounding, certain percentage totals may not equal 100%.

Note: Testing data for English and Math in 2015 reflects summary scores for the PARCC test, which replaced the LEAP test in those categories.

See accompanying independent accountants' report on applying agreed-upon procedures.

**The Graduate Exit Exam for the 21st Century
For the Year Ended June 30, 2015**

The Graduation Exit Examination is no longer administered. Therefore, this schedule is not applicable.

See accompanying independent accountants' report on applying agreed-upon procedures.

The *LEAP* Tests
For the Year Ended June 30, 2015

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	0	0%	9	3%	1	0%	1	0%
Mastery	62	23%	77	29%	16	6%	10	4%
Basic	80	30%	59	22%	97	37%	101	38%
Approaching Basic	74	28%	68	26%	103	39%	80	30%
Unsatisfactory	48	18%	51	19%	45	17%	72	27%
Total	264	100%	264	100%	262	100%	264	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	3	1%	1	0%	1	0%	1	0%
Mastery	59	19%	38	12%	15	5%	33	10%
Basic	104	33%	82	26%	104	33%	119	38%
Approaching Basic	95	30%	140	44%	113	36%	88	28%
Unsatisfactory	57	18%	58	18%	84	26%	76	24%
Total	318	100%	319	100%	317	100%	317	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	3	1%	2	1%	0	0%	14	5%
Mastery	87	29%	51	17%	26	9%	33	11%
Basic	131	44%	101	34%	117	39%	135	45%
Approaching Basic	43	14%	116	39%	115	38%	86	29%
Unsatisfactory	35	12%	30	10%	41	14%	30	10%
Total	299	100%	300	100%	299	100%	298	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2015		2015		2015		2015	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	5	2%	2	1%	3	1%	12	5%
Mastery	58	22%	53	20%	24	9%	38	15%
Basic	111	42%	110	42%	110	42%	111	42%
Approaching Basic	59	23%	72	27%	81	31%	62	24%
Unsatisfactory	29	11%	27	10%	45	17%	39	15%
Total	262	100%	264	100%	263	100%	262	100%

Note: Due to rounding, certain percentage totals may not equal 100%.

Note: Testing data for English and Math in 2015 reflects summary scores for the PARCC test, which replaced the LEAP test in those categories.

See accompanying independent accountants' report on applying agreed-upon procedures.

The ILEAP Tests
For the Year Ended June 30, 2015

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	7	3%	22	8%	2	1%	3	1%
Mastery	42	16%	39	15%	15	6%	17	6%
Basic	105	40%	125	48%	98	37%	112	43%
Approaching Basic	48	18%	46	17%	99	38%	77	29%
Unsatisfactory	61	23%	31	12%	49	19%	54	21%
Total	263	100%	263	100%	263	100%	263	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	2	1%	7	3%	0	0%	4	2%
Mastery	39	16%	25	10%	17	7%	20	8%
Basic	89	37%	141	59%	102	42%	142	59%
Approaching Basic	70	29%	42	18%	88	36%	49	20%
Unsatisfactory	39	16%	25	10%	36	15%	27	11%
Total	239	100%	240	100%	243	100%	242	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	1	0%	19	8%	2	1%	17	7%
Mastery	46	20%	34	15%	20	9%	52	23%
Basic	106	46%	133	58%	121	52%	120	52%
Approaching Basic	53	23%	34	15%	70	30%	35	15%
Unsatisfactory	22	10%	11	5%	20	9%	7	3%
Total	228	100%	231	100%	233	100%	231	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2014		2014		2014		2014	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	10	4%	12	5%	6	3%	17	7%
Mastery	31	13%	25	11%	41	17%	48	20%
Basic	120	52%	145	63%	108	46%	116	49%
Approaching Basic	55	24%	35	15%	65	28%	43	18%
Unsatisfactory	14	6%	13	6%	16	7%	12	5%
Total	230	100%	230	100%	236	100%	236	100%

Note: Due to rounding, certain percentage totals may not equal 100%.

Note: Testing data for English and Math in 2015 reflects summary scores for the PARCC test, which replaced the LEAP test in those categories.

See accompanying independent accountants' report on applying agreed-upon procedures.

The ILEAP Tests
For the Year Ended June 30, 2015

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	6	3%	16	7%	3	1%	2	1%
Mastery	29	13%	38	17%	24	11%	28	13%
Basic	104	47%	99	45%	94	43%	96	44%
Approaching Basic	54	25%	41	19%	72	33%	55	25%
Unsatisfactory	26	12%	25	11%	26	12%	38	17%
Total	219	100%	219	100%	219	100%	219	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	3	2%	8	4%	1	1%	4	2%
Mastery	26	14%	26	14%	23	12%	19	10%
Basic	109	57%	117	61%	101	53%	114	60%
Approaching Basic	41	21%	25	13%	48	25%	28	15%
Unsatisfactory	12	6%	16	8%	18	9%	26	14%
Total	191	100%	192	100%	191	100%	191	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	1	0%	16	7%	3	1%	24	11%
Mastery	26	12%	39	18%	20	9%	43	20%
Basic	133	61%	129	59%	102	47%	121	55%
Approaching Basic	47	22%	23	11%	75	34%	24	11%
Unsatisfactory	10	5%	11	5%	19	9%	7	3%
Total	217	100%	218	100%	219	100%	219	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	3	2%	8	4%	1	1%	5	3%
Mastery	29	16%	25	13%	25	13%	49	26%
Basic	97	53%	119	63%	81	43%	94	50%
Approaching Basic	51	28%	20	11%	66	35%	27	14%
Unsatisfactory	4	2%	16	9%	14	7%	12	6%
Total	184	100%	188	100%	187	100%	187	100%

Note: Due to rounding, certain percentage totals may not equal 100%.

Note: Testing data for English and Math in 2015 reflects summary scores for the PARCC test, which replaced the LEAP test in those categories.

See accompanying independent accountants' report on applying agreed-upon procedures.