

**LEARNING SOLUTIONS, INC.  
d/b/a VISION ACADEMY**

**Annual Financial Statements**

**As of and For the Year Ended June 30, 2017**

**ANTHONY B. BAGLIO, CPA**  
CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

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**LEARNING SOLUTIONS, INC.**  
**d/b/a VISION ACADEMY**  
**Annual Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>REPORT</b>	
Independent Auditor’s Report.....	6
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position.....	10
Statement of Activities.....	11
Statement of Cash Flows.....	12
Notes to the Financial Statements.....	13
<b>SCHEDULES REQUIRED BY STATE LAW (PERFORMANCE STATISTICAL DATA)</b>	
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	20
Schedule 1: General Fund Instructional and Support Expenditures and Certain Local Revenue Sources.....	24
Schedule 2: Education Levels of Public School Staff.....	25
Schedule 3: Number and Type of Public Schools.....	26
Schedule 4: Experience of Public Principals, Assistant Principals and Full-Time Classroom Teachers.....	27
Schedule 5: Public School Staff Data: Average Salaries.....	28
Schedule 6: Class Size Characteristics .....	29
Schedule 7: Louisiana Educational Assessment Program (LEAP).....	30
Schedule 8: Graduation Exit Examination (GEE).....	31
Schedule 9: iLeap Tests.....	32

**LEARNING SOLUTIONS, INC.**  
**d/b/a VISION ACADEMY**  
**Annual Financial Statements**  
**As of and for the Year Ended June 30, 2017**

**Table of Contents (con't)**

	<b>Page</b>
<b>REPORT REQUIRED BY THE LOUISIANA LEGISLATIVE AUDITOR</b>	
Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures.....	34
<b>REPORT REQUIRED BY GOVERNMENTAL AUDITING STANDARDS</b>	
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 <i>Governmental Auditing Standards</i> .....	48
Schedule of Current Year Findings and Responses.....	51
Summary of Schedule of Prior Audit Findings.....	56
Schedule of Compensation, Benefits and Other Payments to Agency Head.....	58



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**ANTHONY B. BAGLIO, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**  
2011 Rue Simone  
Hammond, Louisiana 70403

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

**Report on the Financial Statements**

I have audited the accompanying financial statements of Learning Solutions, Inc. d/b/a Vision Academy (hereinafter "Vision Academy") (a non-profit organization) which comprise the statements of financial position as of June 30, 2017, and the related statements of activities and cash flows for the years 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**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 Vision Academy's internal control. Accordingly, I 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.

Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### **Opinions**

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

### **Other Matters**

#### *Other Information*

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The schedules of performance statistical data as required by state law and referred to in my Independent Accountant's Report on Applying Agree-Upon-Procedures (pages 20-23) and Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures (pages 34-46) have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated May 24, 2018 on my consideration of the Vision Academy's internal control over financial reporting and on my 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 my 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 Vision Academy's internal control over financial reporting and compliance.

Respectfully submitted,



Anthony B Baglio, CPA  
A Professional Accounting Corporation  
Hammond, Louisiana

May 24, 2018

# FINANCIAL STATEMENTS

**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Statement of Financial Position**  
**June 30, 2017**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 290,763
Accounts receivable	37,960
Prepaid expenses	23,633
Investments	100,366
Miscellaneous Other Receivables	<u>3,950</u>
Total Current Assets	456,672
Property and Equipment, Net	66,286
Other Assets	<u>19,417</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 542,375</u></b>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable and accrued expenses	\$ <u>32,424</u>
Total Current Liabilities	32,424

**NET ASSETS**

Unrestricted	<u>509,951</u>
Total Net Assets	<u>509,951</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 542,375</u></b>

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

**Learn Solutions, Inc.  
d/b/a Vision Academy  
Statement of Activities  
Year Ended June 30, 2017**

<b>REVENUES AND OTHER SUPPORT</b>	
State public school funds	\$ 1,735,949
Grants	
Federal	75,417
Interest	1,493
Other Revenues	59,070
Total Revenues and Other Support	<u>\$ 1,871,929</u>
<b>EXPENSES</b>	
Regular Programs	609,986
Special Education Programs	71,682
Other Instructional Programs	13,002
Special Programs	7,087
Pupil Support Services	74,372
Instructional Staff Services	131,721
General Administration	66,262
School Administration	249,984
Business Services	149,857
Maintenance of Plant	123,760
Student Transportation Services	134,128
Central Services	228
Food Services	107,868
Facility Rentals	241,900
Indirect Cost Paid	5,384
Depreciation	22,532
Total Expenses	<u>2,009,753</u>
<b>Changes in Net Assets</b>	<b>(137,824)</b>
<b>Net Assets - Beginning of Year</b>	<b>647,775</b>
<b>Net Assets - End of Year</b>	<b><u>\$ 509,951</u></b>

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

**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Statement of Cash Flows**  
**Year Ended June 30, 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Changes in net assets	\$ (129,782)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	22,532
Changes in operating assets and liabilities:	
Accounts receivable	(37,503)
Prepaid expenses	(22,327)
Other assets	(3,824)
Accounts payable and accrued expenses	(10,419)
Student activities	<u>(2,701)</u>
Net Cash Used by Operating Activities	\$ (184,024)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of Certificate of Deposit	<u>(100,366)</u>
Net cash used in investing activities	<u>(100,366)</u>
 <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	
	(284,390)
 <b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	 <u>575,153</u>
 <b>CASH AND CASH EQUIVALENTS - End of Year</b>	 <u>\$ 290,763</u>

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



**Learning Solutions, Inc.**  
**d/b/a/ Vision Academy**  
**Monroe, Louisiana**  
**Notes to the Financial Statement**  
**As of and for the Year Ended June 30, 2017**

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

**Nature of Organization**

Learning Solutions, Inc. d/b/a Vision Academy (a non-profit organization), opened in Monroe, Louisiana in Fall 2014 as a Type 2-BESE approved public charter school that is free to any student in the State of Louisiana. Vision Academy's mission is to provide a robust learning environment that allows students to develop their potential, to prepare student for post-secondary education and/or to the work force, and to collaborate with community agencies, organizations, and institutions to meet student's needs.

***Basis of Accounting***

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

***Basis of Presentation***

Vision Academy follows the provisions of the Not-for-Profit Entities Topic of the Financial Accounting Standards Board Accounting Standards Codification 958 (FASB ASC 958), which establishes external financial reporting for not-for-profit organizations which includes three (3) basic financial statements and classification of resources into three (3) separate categories of net assets, as follows:

***Unrestricted Net Assets*** – Net assets not subject to donor-imposed restrictions. A portion of unrestricted net assets may be designated amounts set aside by the board of directors.

***Temporarily Restricted Net Assets*** – Net assets subject to donor-imposed restrictions that will be met by the actions of Vision Academy or the passage of time. For the year ended June 30, 2017, Vision Academy had no temporarily restricted funds.

***Permanently Restricted Net Assets*** – Net assets subject to donor-imposed restrictions that are required to be maintained permanently by Vision Academy. Generally, the donors of these assets stipulate that the income earned on related investments should be used for specific purposes. For the year ended June 30, 2017, there were no permanently restricted net assets.

**Learning Solutions, Inc.**  
**d/b/a/ Vision Academy**  
**Monroe, Louisiana**  
**Notes to the Financial Statement**  
**As of and for the Year Ended June 30, 2017**

***Recent Accounting Pronouncements***

In August of 2016, the Financial Accounting Standards Board's released Accounting Standards Update (FASB ASU) Nos. 2016-14 and 2016-02 ASU 2016-04 will significantly enhance the disclosure requirement for not-for-profit entities and the classifications of net assets. ASU 2016-02 alters the accounting for leases on a lessee's financial statements through the recognition of a right-of-use asset and a lease liability. Early adoption of these ASUs are permitted, however, for the year ended June 30, 2017, Vision Academy has elected not to early adopt these new accounting pronouncements.

***Use of Estimates***

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

***Property and Equipment***

Property and equipment is capitalization at cost (or estimated historical cost) and updated for additions and retirements during the year. The net carrying account is considered the net realizable value. Donated property and equipment is recorded at fair market values as of the date received. Vision Academy maintains a capitalization threshold of \$,1000 for individual items and \$5,000 for items purchased in bulk. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. All reported property and equipment except land is depreciated. Depreciation is computed using the straight-line method over the lesser of the estimated useful lives or the terms of the following underlying lease:

Furniture and equipment	5 – 7 years
Leasehold improvements	5 -10 years

***Income Taxes***

Vision Academy has received a tax-exempt ruling under section 501(c)(3) from the Internal Revenue Service and, accordingly, is not subject to federal income tax unless Vision Academy has unrelated trade or business income.

**Learning Solutions, Inc.**  
**d/b/a/ Vision Academy**  
**Monroe, Louisiana**  
**Notes to the Financial Statement**  
**As of and for the Year Ended June 30, 2017**

***Cash, Cash Equivalents and Investments***

Cash, which is held in interest bearing accounts, consisted of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts credited to Vision Academy's bank accounts from amounts received from state public school funds subject to restrictions and student activities funds.

Vision Academy classified all highly liquid debt instruments with a maturity of three (3) months or less to be cash equivalents.

Investment is a Certificate of Deposit at a local bank with an original maturity of one (1) year.

***Accounts Receivable***

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

***Contributions and Revenue Recognition***

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor restricted support is recognized as an increase in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Revenues from federal and state grants are recorded when Vision Academy has a right to reimbursement under the related grant, generally corresponding to the incurring of grant-related costs by vision Academy, or when earned under the terms of the grants.

**Learning Solutions, Inc.**  
**d/b/a/ Vision Academy**  
**Monroe, Louisiana**  
**Notes to the Financial Statement**  
**As of and for the Year Ended June 30, 2017**

***Concentrations***

Vision Academy received 93% of its revenues for the years ended June 30, 2017 from the State of Louisiana, subject to its Charter School Contract with the State.

**NOTE 2 – CONCENTRATION OF CREDIT RISK**

Vision Academy maintains cash balances at two (2) financial institutions. Accounts are insured by the Federal Deposit Insurance Commission (FDIC) up to \$250,000 per institution. At June 30, 2017 cash deposits in excess of the FDIC insured limits were \$10,525. Management has not experienced any significant losses in such accounts and does not believe it is exposed to significant credit risk.

**NOTE 3 – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of June 30, 2017:

Leasehold improvements	\$ 32,580
Furniture and equipment	<u>96,236</u>
Total	128,816
Accumulated depreciation	<u>( 62,530)</u>
Total property and equipment, net	<u>\$ 66,286</u>

Depreciation expense for the years ended June 30, 2017 totaled \$22,532 and is included in the statements of activities.

**NOTE 4 – ACCOUNTS RECEIVABLE**

Accounts receivable consisted of the following as of June 30, 2017:

Louisiana Department of Education	19,799
State of Louisiana	<u>18,161</u>
Total	<u>\$37,960</u>

For the year ended June 30, 2017, there were no accounts receivable related to federal grant revenue.

**Learning Solutions, Inc.**  
**d/b/a/ Vision Academy**  
**Monroe, Louisiana**  
**Notes to the Financial Statement**  
**As of and for the Year Ended June 30, 2017**

**NOTE 5 – OPERATING LEASES**

On July 1, 2014, Vision Academy entered into a lease agreement for the use of two school buses. Annual payments under this agreement are \$35,000 and the term is five (5) years from the effective date.

Beginning September 2014, Vision Academy entered into a lease agreement with DCH Properties, LLC for the use of school facilities effective September 1, 2014. The term of the agreement is 10 years from the effective date. Annual payments under this lease total \$198,000. The agreement required Vision Academy to provide a security deposit equal to one monthly payment of \$16,500.

On July 20, 2015, Vision Academy executed an amendment to lease additional space for modular classroom buildings. Annual payments under the amendment total \$35,000, with the same expiration date as the original agreement.

On February 22, 2016, Vision Academy entered into a lease for an offsite administration office. The terms of the lease is 12 months beginning March 2, 2016. The payments under this lease total to \$6,000 for the year ended June 30, 2016. The lease has been renewed yearly.

Future minimum commitments under the operating lease agreements are as follows:

For Year Ended June 30,	
2018	\$ 274,000
2019	271,000
2020	233,000
2021	233,000
2022	233,000
Thereafter	<u>504,833</u>
Total	<u>\$ 1,748,833</u>

Rental expense under these operating leases totaled \$241,900 for the year ended June 30, 2017.

**Learning Solutions, Inc.**  
**d/b/a/ Vision Academy**  
**Monroe, Louisiana**  
**Notes to the Financial Statement**  
**As of and for the Year Ended June 30, 2017**

**NOTE 6 – UNCERTAIN TAX POSITIONS**

Accounting principles generally accepted in the United States of America require Vision Academy's management to evaluate tax positions taken by Vision Academy and recognize a tax liability if Vision Academy has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Vision Academy's management has analyzed the tax positions taken by Vision Academy, and has concluded that as of June 30, 2017, there were no uncertain positions taken or expected to be taken that would required recognition of a liability or disclosure in the financial statements. Vision Academy is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**NOTE 7 – MINIMUM FOUNDATION PROGRAM (MFP)**

The State of Louisiana provides funding which is determined on an annual basis based on the number of pupils enrolled in the school as of February 1 of the prior fiscal year. This state-funded per pupil allocation is based on the most recently approved minimum foundation program formula resolution. For the year ended June 30, 2017 Vision Academy recognized revenue of \$1,735,949 for state and local MFP.

**NOTE 8 – SUBSEQUENT EVENTS**

Management has evaluated subsequent event through the date that the financial statements were available to be issued, May 24, 2018. There were no material subsequent events that require disclosure in these financial statements.

**NOTE 9 – COMPLIANCE WITH LAWS**

Learning Solutions, Inc. d/b/a Vision Academy did not file its audit report within six (6) months after the close of the fiscal year.

**SCHEDULES REQUIRED BY  
STATE LAW  
Performance Statistical Data**

**ANTHONY B. BAGLIO, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**  
2011 Rue Simone  
Hammond, Louisiana 70403

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

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Learning Solutions, Inc. d/b/a Vision Academy (a nonprofit organization) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Vision Academy and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary education (BESE) Bulletin. Vision Academy's responsible for the performance and statistical data. This agreed-upon procedures engagement was performed 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 specified users of this report. Consequently, I make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

1. I obtained a copy of the Annual Financial Report (AFR) for the period ended June 30, 2017 that was reported to the Louisiana Department of Education. A random sample of the postings to the General Ledger was compared to the Key punch Codes in the AFR to determine if the sampled revenues/expenditures were recorded properly for the following categories:
  - Classroom Teacher Salaries
  - Pupil Support Services
  - Instructional Staff Services
  - School Administration

**Finding:** None.



To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

**Education Levels of Public Principals, Assistant Principals, and Full-Time Classroom Teachers (Schedule 2)**

2. I obtained a copy of the Profiles of Education Personnel (PEP) Report as of October 1, 2016 to obtain a list of the personnel that was reported to the Louisiana Department of Education to determine if the number of full-time classroom teachers, assistant principals, and principals who were identified as being certificated and uncertificated and by degree were being reported correctly. Copies of a transcript or the degree was used to verify the degree if a teacher was not certified and copies of the Louisiana issued teacher's certificate was used to verify the degree if they were certified.

**Finding:** Documentation was present to verify that three (3) noncertified teachers had a degree from a 4-year accredited college or university. One other teacher was listed on the report as having a degree; however, there was no support within the file to verify if this was true.

**Number and Type of Public Schools (Schedule 3)**

3. I obtained a list of schools by type as reported on the schedule. I compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Education Agencies (CFDA 84.010) application.

**Finding:** None.

**Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teacher (Schedule 4)**

4. I obtained a copy of the Profiles of Education Personnel (PEP) Report as of October 1, 2016 to obtain a list of the personnel that was reported to the Louisiana Department of Education. Years of experience were compared with the employee's personnel file to determine if this schedule was completed correctly.

**Finding:** Although the number of teachers and years of experience is correct in total, two of the 4 teacher were reported incorrectly. Since there was no documentation of having previous experience in teaching K-12 students, I looked at the date of hire. As a result, one teacher was reported as having 1 year experience when in fact had no experience and one teacher was reported as having no experience when in fact had one (1) year experience.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

**Public School Staff Data (Schedule 5)**

5. I obtained a copy of the Profiles of Education Personnel (PEP) Report as of June 30, 2016 to obtain a list of the personnel that was reported to the Louisiana Department of Education. Four employees were selected from this list and the salaries for the fiscal year for each employee were compared with the payroll records for the same fiscal year period. The average teacher salary was calculated from both reports were used to determine if this schedule was reported accurately.

**Findings:** The total salary reported for the four (4) employees selected were not reported correctly on the June 30, 2016 PEP report, and therefore, did not agree with the actual salary paid. As a result the average teacher salary was overstated. The computed salary should have been \$38,030 instead of the reported amount of \$38,500.

**Class Size Characteristics (Schedule 6)**

6. I took a sample of the classroom schedules reflecting the number of students where the class was less than 20 students. This sample represented 55% of the classes with less than 20 students. I also reviewed reports that reflected the other class sizes, as well.

Finding: None.

**Louisiana Educational Assessment Program (LEAP) for the 21<sup>st</sup> Century (Schedule 7)**

7. As Vision Academy is only grades 9 -12, this schedule does not apply.

**Graduation Exit Examination (GEE) Schedule 8**

8. GEE is no longer administered.

**Integrated Louisiana Educational Assessment Program (iLEAP) (Schedule 9)**

9. As Vision Academy is only grades 9 – 12, this schedule does not apply.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

**Corrective Action Plan:**

In the future Management will have an outside consultant review the reports before they are issued.

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 specified users of this report. Consequently I make no representation regarding these sufficiency of the procedures described above either for the purpose for which this report has been requested of for any other purpose.

I was not engaged to and did not perform an examination or review the objective of which would be the expression of an opinion or conclusion, respectively on performance and statistical data accompanying the annual financial statements of the School. Accordingly, I do not express such and opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of management of Vision Academy, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and is not intended to be 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 Statue 24:513, this report is distributed by the Legislative Auditor as a public document.



Anthony B. Baglio, CPA  
A Professional Accounting Corporation  
Hammond, Louisiana  
May 24, 2018

**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Monroe, Louisiana**  
**Schedule 1: General Fund Instructional and Support**  
**Expenditures and Certain Local Revenue Sources**  
**Year Ended June 30, 2017**

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 264,618	
Other Instructional Staff Activities	28,529	
Employee Benefits	45,398	
Purchased Professional and Technical Services	93,909	
Instructional Materials and Supplies	82,851	
Instructional Equipment	<u>( 8,736)</u>	
Total Teacher and Student Interaction Activities		\$ 506,569
Other Instructional Activities		6,237
Pupil Support Services	74,372	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services		74,372
Instructional Staff Services	131,721	
Less: Equipment for Instructional Staff Services		
Net Instructional Staff Services		131,721
School Administration	249,984	
Less: Equipment for School Administration		
Net School Administration		249,984
Total General Fund Instructional Expenditures		<u>968,883</u>
Total General Fund Equipment Expenditures		<u>\$ 8,736</u>

Certain Local Revenue Sources

This section is not applicable to Vision Academy

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

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana  
Schedule 2: Education Levels of Public School Staff  
Year Ended June 30, 2017**

**As of October 1, 2016**

Category	Full-time Classroom Teachers				Principles & Assistant Principles			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	-			-	-	-	
Bachelor's Degree	-	-	3	75%	-	-	-	
Master's Degree	-	-	1	25%	-	-	-	
Master's Degree +30	-	-			-	-	-	
Specialist in Education	-	-			-	-	-	
Ph.D or Ed.D.	-	-			-	-	-	
<b>Total</b>	-	-	4	100%	-	-	-	

**Note:** Vision Academy participates in online learning and the proctors who administer those classes are not included on this schedule.

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

**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Monroe, Louisiana**  
**Schedule 3: Number and Type of Public Schools**  
**Year Ended June 30, 2017**

As of October 1, 2016

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

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

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

**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Monroe, Louisiana**  
**Schedule 4: Experience of Public Principals, Assistant Principals,**  
**and Full Time Classroom Teachers**  
**Year Ended June 30, 2017**

**As of October 1, 2016**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
<b>Assistant Principals</b>	-	-	-	-	-	-	-
<b>Principals</b>	-	-	-	-	-	-	-
<b>Classroom Teacher</b>	<b>4</b>	-	-	-	-	-	<b>4</b>
	<b>4</b>	-	-	-	-	-	<b>4</b>

**Note:** Vision Academy participates in online learning and the proctors who administer those classes are not included on this schedule.

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

**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Monroe, Louisiana**  
**Schedule 5: Public School Staff Data:**  
**Average Salaries**  
**Year Ended June 30, 2017**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions</b>
Average Classroom Teachers' Salary Including Extra Compensation	\$38,500	\$38,500
Average Classroom Teachers' Salary Excluding Extra Compensation	\$38,500	\$38,500
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	4	4

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

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



**Learning Solutions, Inc.**  
**d/b/a Vision Academy**  
**Monroe, Louisiana**  
**Schedule 6: Class Size Characteristics**  
**Year Ended June 30, 2017**

As of October 1, 2016

School Type	Class Size Range							
	1 – 20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	-	-	-	-	-	-	-	-
Elementary Activity Classes	-	-	-	-	-	-	-	-
Middle/Jr. High	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-
High	94.12%	96	4.9	5	1%	1	-	-
High Activity Classes	50%	2	25%	1	-	-	25%	1
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 independent accountant's report on applying agreed-upon procedures.

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana  
Schedule 7: Louisiana Educational Assessment Program (LEAP)  
Year Ended June 30, 2017**

Louisiana Educational Assessment Program (LEAP) for the 21<sup>st</sup> Century  
For the Year Ended June 30, 2017

Not applicable to Learning Solutions, Inc. d/b/a Vision Academy as they only education grades 9-12.

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

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana  
Schedule 8: Graduation Exit Examination (GEE)  
Year Ended June 30, 2017**

Graduation Exit Examination (GEE)

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

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

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana  
Schedule 9: iLEAP Tests  
Year Ended June 30, 2017**

Integrated Louisiana Educational Assessment Program (iLEAP)  
For the Year Ended June 30, 2107

Not applicable to Learning Solutions, Inc. d/b/a Vision Academy as they only education grades 9-12.

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

**REQUIRED REPORT BY  
THE LOUISIANA LEGISLATIVE  
AUDITOR**

**ANTHONY B. BAGLIO, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**  
2011 Rue Simone  
Hammond, Louisiana 70403

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

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

I have performed the procedures enumerated below, which were agreed to by management of Learning Solutions, Inc. d/b/a Vision Academy (Vision Academy) (a nonprofit organization) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 – June 30, 2017. Vision Academy's management is responsible for those C/C areas identified in the SAUPs. Consequently, I make no representation regarding the sufficiency of the procedures below either for the purpose for which this report has been request or for any other purpose.

The procedures and associated findings are as follows:

**PROCEDURES TO BE PERFORMED IN CONNECTION WITH  
LOUISIANA LEGISLATIVE AUDITOR STATEWIDE AGREED-UPON PROCEDURES**

**Written Policies and Procedures**

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a. Budgeting – including preparing, adopting, monitoring and amending the budget,
  - b. Purchasing – including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes,
  - c. Disbursements – including processing, reviewing, and approving,
  - d. Receipts – including receiving, recording and preparing deposit,
  - e. Payroll/Personnel – including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - f. Contracting – including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

- g. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable) – including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage,
- h. Travel and expense reimbursement – including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers,
- i. Ethics – including (1) the prohibitions as defined in Louisiana Revised Statute 42:111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethic policy. Note: Ethics requirements are not applicable to nonprofits.
- j. Debit Service – including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserved requirements, and (4) debit service requirements.

**Finding:** None.

**Board or Finance Committee, if applicable**

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

- a. Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charger, or other equivalent document,
- b. Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis),
  - b1. If the budget-to-actual comparisons show that management was a deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- c. Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

- Finding:** (a) None  
(b) Minutes did not reflect budget-to-actual comparison.  
(b1) There was a deficit spending for the fiscal period but no fund balance deficit.  
(c) None.

**Bank Reconciliations**

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
4. Using the listing provided by management, select all of the entity's bank accounts (if five (5) accounts or less) or one-third of the bank accounts on a three (3) year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a. Bank reconciliations have been prepared;
  - b. Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c. If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

- Finding:** (a) None  
(b) No evidence that a member of management or board member with no involvement in the transactions associated with the bank account has reviewed each bank reconciliation.  
(c) None.

**Collections**

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



To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three (3) year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:
  - a. Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
  - b. Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collection in the cash collection location selected.
  - c. Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
    1. Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
    2. Using sequentially number receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic number sequences, agency fund forfeiture monies and confirmation) by a person who is not responsible for collections.

- Finding:**
- 6a. None
  - 6b. None
  - 6c-1. Vision Academy does not write receipts. Looked at date on copies of checks they received. The dates on the checks to be deposited were examined. There was a delay from the date on the checks to the date it was deposited. There is no evidence to show whether Vision Academy had the checks in their possession on the date the checks were written. Also, there was some delay from the date the deposit slip was written to the date the deposit went into the bank. Delays from date on deposit slip to deposit date in bank statement were from 1 day to 21 days.
  - 6c-2. No finding.
  7. None

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

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort filter for entity disbursement. Obtain management's representation that the listing or general ledger population is complete.
9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity has less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
  - a. Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separate initiation from approval functions in the same manner as a requisition/purchase order system.
  - b. Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

- c. Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.
- 10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.
- 11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.
- 12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those people that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the person with signatory authority have system access to print checks.
- 13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under this or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Finding:

- 9A – No purchase order system
- 9B – Not in all cases
- 9C – The 25 selected 4 had no invoices, 12 no approval.
- 10 – Yes – done by outside company
- 11 – Done by same person
- 12 – Checks done by outside company
- 13 – No signature machined, checks under control of signer

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the person who maintained possession of the cards. Obtain management's representation that the listing is complete.
15. Using the listing prepared by management, randomly select ten (10) cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

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

- a. Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. (Note: Requiring such approval may contain the legal authority of certain public officials (e.g. mayor of a Lawrason Act municipality); these instances should not be reported)).
  - b. Report whether finance charges and/or late fees were assessed on the selected statements.
16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).
    - a. For each transaction, report whether the transaction is supported by:
      1. an original itemized receipt (i.e. identifies precisely what was purchased),
      2. documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating, and

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

3. other documentation that may be required by written policy (e.g. purchase order, written authorization).
- b. For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
- c. For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**Finding:** 15a No Finding.  
15b 8 of 12 monthly statements had late fee and/or finance charges.  
16a-1 26 transactions tested, 3 did not have itemized receipts.  
16a-2 All documents except the 3 without receipts.  
16a-3 No finding.  
16b No finding.  
16c No finding.

#### **Travel and Expense Reimbursement**

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.
18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

19. Using the listing or general ledger from #17 above, select the three (3) persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three (3) travel expenses selected:
  - a. Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g. rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18) above and report each reimbursement that exceeded those rates.
  - b. Report whether each expense is supported by:
    1. An original itemized receipt that identifies precisely what was purchased. (Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt).
    2. Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
    3. Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
  - c. Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
  - d. Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

- Finding:** 19b-1 28 items tested – 10 did not have receipts.  
19b-2 Ones with no receipts were able to determine what was purchased.  
19b-3 No Finding.  
19c No Finding.  
19d No Finding.

### Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.
21. Using the listing above, select the five (5) contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
  - a. report whether there is a formal/written contract that supports the services arrangement and the amount paid.
  - b. compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid law or Procurement Code and:
    1. If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g. solicited quotes or bids, advertisement, selected lowest bidder).
    2. If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
  - c. Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
  - d. Select the largest payment from each of the five (5) contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.



To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

- e. Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

**Finding:** 21a Five (5) had a formal contract  
21b-1 no finding  
21c no finding  
22d no finding  
22e no finding

**Payroll and Personnel**

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five (5) employees/officials obtain their personnel files, and:
  - a. Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
  - b. Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.
  
- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity has less than 25 employees during the fiscal period), and:
  - a. report whether all selected employees/officials documented their daily attendance and leave (e.g. vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.
  - b. report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.



To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

- c. report whether there is written documentation that the entity maintained written leave records (e.g. hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two (2) largest termination payments (e.g. vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two (2) employees/officials. Report whether the termination payments were made in strict accordance with policy and /or contract and approved by management.
- 25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employees and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

**Finding:** 22a no finding  
22b no finding  
23a no formal leave policy  
23b no finding  
23c no formal leave policy  
24 no finding  
25 no finding – Paychecks does payroll and remits payments

**Other**

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

None Noted

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

Posted

To the Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

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

None

**Corrective Action Plan:**

We will review the findings with our Board and our outside accounting firm to make the necessary corrections.

This agreed-upon procedures engagement was performed in accordance with the attestation standard established by the American Institute of Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representations regarding the sufficiency of the procedures described above either for the purpose for which this report has been requested or for any other purpose.

I was not engaged to and did not conduct an examination or review, the object of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the Board, management of Learning Solutions, Inc. d/b/a Vision Academy, the Louisiana Department of Education, the Louisiana legislature, and the Legislative Auditor, State of Louisiana, and is not intended to be 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Anthony B. Baglio, CPA  
A Professional Account Corporation  
Hammond, Louisiana

May 24, 2018

**REPORT REQUIRED BY  
*GOVERNMENTAL AUDITING  
STANDARDS***

ANTHONY B. BAGLIO, CPA  
A PROFESSIONAL ACCOUNTING CORPORATION  
2011 Rue Simone  
Hammond, Louisiana 70403

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

Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United State 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 Learning Solutions, Inc. d/b/a Vision Academy (a non-profit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated May 24, 2018.

**Internal Control over Financial Reporting**

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

Board of Directors  
Learning Solutions, Inc. d/b/a Vision Academy  
Monroe, Louisiana

My 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify certain deficiencies in internal control, described in the accompanying schedule of current year audit findings that I consider to be significant deficiencies as item number 2017-01.

### **Compliance and Other Matters**

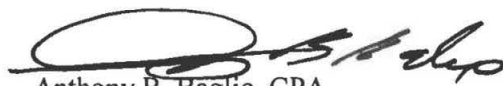
As part of obtaining reasonable assurance about whether Vision Academy's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of current year audit findings as item number 2017-02.

### **Vision Academy's Response to Finding**

Vision Academy's response to the findings identified in my audit is described in the accompanying schedule of current year audit findings. Vision Academy's response was not subjected to the auditing procedures applied to the financial statements and, accordingly, I express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Vision 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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Anthony B. Baglio, CPA  
A Professional Accounting Corporation  
Hammond, Louisiana

May 24, 2018

**LEARNING SOLUTIONS, INC.  
d/b/a VISION ACADEMY  
Monroe, Louisiana**

**SCHEDULE OF CURRENT YEAR  
AUDIT FINDINGS**

Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS  
As of and for the Year Ended June 30, 2017

**SECTION 1 – SUMMARY OF AUDITORY’S RESULTS**

I have audited the financial statements of Vision Academy, Monroe, Louisiana as of and for the year ended June 30, 2017 and have issued my report thereon dated May 24, 2018. I conducted my 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. My audit of the financial statements as of June 30, 2017 resulted in an unqualified opinion.

**Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control**

Material weaknesses identified?                                         Yes     No

Significant deficiencies identified not  
Considered to be material weaknesses?                                         Yes     No

**Compliance**

Noncompliance material to financial  
Statements noted?     Yes     No

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana**

**SCHEDULE OF CURRENT YEAR AUDIT FINDINGS  
As of and for the Year Ended June 30, 2017**

**Internal Control**

**2017-01      Operational Matters of the Organization**

**Criteria**

Controls should be in effect to monitor the daily operational functions of the organization.

**Condition**

In sampling the transactions in the accounting records certain items were noticed. A new property lease had been obtained and the lease was overpaid by \$33.33 for 29 months. A sampling of one (1) month of employee insurance deductions reflected that if the employee had a dependent or spouse on the insurance the correct amount was not being deducted. In December 2016 Vision Academy changed the carrier for supplemental insurance. Vision Academy continued paying for both companies for the remainder of the fiscal year. It appears that the health insurance is not being paid on time. I noticed several instances where two or three months of health insurance being paid at one time. I also noticed two (2) terminated employees were not removed from the insurance. I noticed several months where the credit card statement had late fees. The minutes do not give a lot of detail of what goes on in the meetings, nor any detail of any review of any financial data or employee activity.

**Cause**

No one is assigned the responsibility to monitor the operational matters of the organization.

**Effect**

Caused overpayments and errors in the accounting records.

**Recommendation**

Someone should be assigned the responsibility to monitor the operational side of the organization. A clear set of guidelines should be developed for this individual to follow.

**Management's Corrective Action Plan**

We will follow the recommendation of our Auditor.



**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana**

**SCHEDULE OF CURRENT YEAR AUDIT FINDINGS  
As of and for the Year Ended June 30, 2017**

**Compliance**

**2017-02 – timely Submission of Audit Report**

**Criteria**

The audited financial statements are due to the Louisiana Legislative Auditor's office in a prescribed period of six (6) months after the close of the entity's fiscal year end.

- LRS 24:513 (A) (5)(a)(i) reads "*The Louisiana Governmental Audit Guide is a standard for audits and reviews of auditees within Louisiana and shall be produced by the society and the legislative auditor, with input from the Louisiana Municipal Association, the Louisiana Police Jury Association, the Louisiana School Board Association, and any other interested parties. Such audits shall be completed within six months of the close of the entity's fiscal year.*"
- The Louisiana Governmental Audit Guide requires, "*Compilation, review/attestation, and audit engagements must be completed within six months of the close of the fiscal year. The requirements for the timely completion of the engage makes engagement planning very important. When reports are issued after the six month statutory issue date, the Legislative Auditor requires the auditor to report, as a matter of noncompliance, the failure of the agency to comply with the state audit law, together with a full explanation of the events leading to the noncompliance (whether a part of a compilation review/attestation, or audit report).*"

**Condition**

Vision Academy did not file the June 30, 2017 audit financial statements within six (6) months of the close of the fiscal year.

**Cause**

The cause of this condition was the late changing of auditor.

### **Effect**

Failure of Vision Academy to adhere to the requirements of the LSR 24:514 and the Louisiana Governmental Audit Guide's provisions of timely submission of Vision Academy's audited financial statements to the Louisiana Legislative Auditor results in noncompliance with the state audit law and LRS 24:513.

### **Recommendations**

I recommend that Vision Academy review the provisions of LSR 24:513 and the Louisiana Governmental Audit Guide and become familiar with the fiscal audit deadline and submission requirements.

### **Management's Corrective Action Plan**

In the future our audits will be timely filed.

**LEARNING SOLUTIONS, INC.  
d/b/a VISION ACADEMY  
Monroe, Louisiana**

**STATUS OF PRIOR YEAR AUDIT  
FINDINGS**

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana**

**Status of Prior Year Audit Findings  
Year Ended June 30, 2017**

Ref No	Fiscal Year Finding Initially Occurred	Description of Finding	Management's Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken
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**Section I - Internal Control and Compliance Material to the Financial Statements:**

Internal Control

2016-001	June 30, 2016	Accounts not reconciled timely and accurately	Corrected	
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**LEARNING SOLUTIONS, INC.**  
**d/b/a VISION ACADEMY**  
**Monroe, Louisiana**

**SUPPLEMENTARY INFORMATION**

**Learning Solutions, Inc.  
d/b/a Vision Academy  
Monroe, Louisiana**

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

Agency Head Name: Latoya Jackson, Chief Executive Officer

<u>Purpose</u>		<u>Amount</u>
Salary	\$	142,200
Benefits- Insurance		3,882
Benefits-Workers' Compensation		569
Benefits – Unemployment Tax		146
Benefits-FICA and Medicare		10,927
Cell phone and Other Expenses		3,600
Reimbursements		<u>5,724</u>
Total	\$	<u>167,048</u>

See Independent Auditor's Report