
RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SINGLE AUDIT REPORTS

JUNE 30, 2013

P&N Postlethwaite
& Netterville

A Professional Accounting Corporation

www.pncpa.com

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

(1) **General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of ReNEW – Reinventing Education (ReNEW). ReNEW's reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2013. All federal awards received from federal agencies are included on the schedule.

(2) **Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to ReNEW's financial statements for the year ended June 30, 2013.

(3) **Relationship to Basic Financial Statements**

Federal awards are included in the statement of activities and changes in net assets as federal government revenue.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified: no
- Significant deficiency(ies) identified: no

Noncompliance material to the financial statements noted: no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified: no
- Significant deficiency(ies) identified: no

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 no

Identification of major programs:

U.S. Department of Agriculture:	
Child Nutrition Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
U.S. Department of Housing and Urban Development:	
Community Development Block Grants,	
The Cecil J. Picard LA4 Early Childhood Program	14.228
U.S. Department of Education:	
Teacher Incentive Fund	84.374A
School Improvement Grants Cluster	
School Improvement Grants	84.377A
School Improvement Grants, Recovery Act	84.388A

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section I – Summary of Auditor’s Results (continued)

Dollar threshold used to distinguish between type A and type B programs	<u>\$300,000</u>
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Auditee qualified as a low risk auditee:	<u>yes</u>
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**Section II – Findings relating to the financial statements reported in accordance with
Government Auditing Standards**

None

Section III – Findings and Questioned Costs Related to Federal Awards

None

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NEW ORLEANS, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section II – Findings relating to financial statements reported in accordance with *Government Auditing Standards*

None

Section III – Findings and Questioned Costs Related to Federal Awards

None

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**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 Trustees,
ReNEW – Reinventing Education

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 ReNEW – Reinventing Education (ReNEW) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, 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 20, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ReNEW's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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.

Postlethwaite + Netterville

New Orleans, Louisiana
December 20, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the Board of Trustees,
ReNEW – Reinventing Education

Report on Compliance for Each Major Federal Program

We have audited ReNEW – Reinventing Education's (ReNEW) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of ReNEW's major federal programs for the year ended June 30, 2013. ReNEW's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of ReNEW'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*. 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 ReNEW's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, ReNEW complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of ReNEW 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 ReNEW's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 ReNEW's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of ReNEW as of and for the year ended June 30, 2013, and have issued our report thereon dated December 20, 2013, which contained an unmodified opinion on those financial statements. 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 OMB Circular A-133 and is 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Postlethwaite + Netterville

New Orleans, Louisiana
December 20, 2013



RENEW – REINVENTING EDUCATION
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>		
Passed through the KIPP New Orleans, Inc.		
School Breakfast Program	10.553	\$ 476,852
National School Lunch Program	10.555	996,276
Summer Food Service Program for Children	10.559	44,385
Total Child Nutrition Cluster		1,517,513
Child and Adult Care Food Program	10.558	127,270
Total U.S. Department of Agriculture		1,644,783
<u>U.S. Department of Housing and Urban Development</u>		
Passed through the Louisiana Department of Education		
Community Development Block Grants, The Cecil J. Picard LA 4 Early Childhood Program	14.228	322,988
<u>U.S. Department of Education</u>		
Passed through the Louisiana Department of Education		
Special Education - Grants to States	84.027A	737,872
Special Education - Preschool Grants	84.173A	8,100
Total Special Education Cluster		745,972
School Improvement Grants	84.377A	552,130
School Improvement Grants - ARRA	84.388A	366,082
Total School Improvement Grants Cluster		918,212
Public Charter School Grant	84.282A	256,840
Title I Grants to Local Education Agencies	84.010A	1,624,457
Title II, Part A, Teacher and Principal Training and Recruiting	84.367A	328,419
Race to the Top	84.413A	170,298
Teacher Incentive Fund (Passed through New Schools for New Orleans)	84.374A	737,821
Total U.S. Department of Education		4,782,019
<u>U.S. Department of Health and Human Services</u>		
Passed through the Louisiana Department of Education		
Temporary Assistance for Needy Families	93.558	346,166
Jobs for American Graduates	93.558	50,714
Total U.S. Department of Health and Human Services		396,880
Total Federal Assistance Expended		\$ 7,146,670

See accompanying notes to Schedule of Expenditures of Federal Awards.