

10014

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January 17, 2017

Louisiana Legislative Auditor
c/o Gayle Fransen, CPA
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Resubmission of financial statements for Lake Forest Elementary Charter School for the year ended June 30, 2016. ID #10014

Dear Ms. Fransen:

We are resubmitting the audited financial statements for Lake Forest Elementary Charter School for the year ended June 30, 2016 for the following reason:

The original schedule of findings and responses included a finding for a potential ethics violation by a board member. Subsequent to the issuance of the report, the board member received a letter from the Board of Ethics which indicated that upon investigation, the Board determined that the board member did not receive compensation from the transaction and that the Board is closing the file. As a result, we are reissuing the report which does not include that finding.

Please let us know if you have any questions or need additional information.

Sincerely,

John Murray, CPA
Director, Audit and Assurance Services

Attachment

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

Release Date JAN 25 2017

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REISSUE

**LAKE FOREST ELEMENTARY
CHARTER SCHOOL
NEW ORLEANS, LOUISIANA**

Annual Financial Statements

June 30, 2016



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Independent Auditor's Report

To the Board of Directors
Lake Forest Elementary Charter School
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Lake Forest Elementary Charter School (the School) which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lake Forest Elementary Charter School as of June 30, 2016, 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*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of board of directors and the schedule of compensation, benefits, and other payments to agency head or chief executive officer, as required by Louisiana Revised Statute (LRS) 24:513 A(3), are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Schedules 1 through 9 are not a required part of the basic financial statements, but are supplementary information required by Louisiana State Law. We have applied certain limited procedures, which are described in the independent accountant's report on applying agreed-upon procedures. However, we did not audit this information and, accordingly, express no opinion on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2016, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Covington, LA
September 20, 2016

LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Statement of Financial Position
 June 30, 2016

Assets	
Current Assets	
Cash and Cash Equivalents	\$ 3,667,815
Prepaid Expenses	42,067
Grants Receivable	<u>183,938</u>
Total Current Assets	<u>3,893,820</u>
Fixed Assets	
Furniture and Equipment	32,763
Leasehold Improvements	698,710
Accumulated Depreciation	<u>(12,796)</u>
Total Fixed Assets, Net	<u>718,677</u>
Other Assets	
Certificate of Deposit	2,247,935
Interest Receivable	<u>7,463</u>
Total Other Assets	<u>2,255,398</u>
Total Assets	<u>\$ 6,867,895</u>
Liabilities and Net Assets	
Current Liabilities	
Accrued Liabilities	\$ 69,385
Deferred Revenue	<u>58,032</u>
Total Current Liabilities	<u>127,417</u>
Net Assets	
Unrestricted	6,725,478
Temporarily Restricted	<u>15,000</u>
Total Net Assets	<u>6,740,478</u>
Total Liabilities and Net Assets	<u>\$ 6,867,895</u>

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

LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Total
Revenue, Grants, and Other Support			
State Public School Funding	\$ 6,019,638	\$ -	\$ 6,019,638
Federal Grants	609,376	-	609,376
Other Income	486,629	-	486,629
Donations	72,832	15,000	87,832
State Grants	48,312	-	48,312
	<hr/>		<hr/>
Total Revenue, Grants, and Other Support	7,236,787	15,000	7,251,787
	<hr/>		<hr/>
Expenses			
Program Services			
Regular Education Programs	2,310,582	15,000	2,325,582
Operations and Maintenance	630,919	-	630,919
School Administration	602,334	-	602,334
Special Education Programs	378,966	-	378,966
Instructional Staff Services	325,102	-	325,102
Special Programs	298,092	-	298,092
Food Service Operations	268,312	-	268,312
Pupil Support Services	247,372	-	247,372
Other Instructional Programs	168,174	-	168,174
Depreciation	30,602	-	30,602
Student Transportation	3,990	-	3,990
Management and General			
Business Services	477,833	-	477,833
General Administration	271,492	-	271,492
Fundraising	105,075	-	105,075
	<hr/>		<hr/>
Total Expenses	6,118,845	15,000	6,133,845
	<hr/>		<hr/>
Loss on Disposal of Equipment	22,720	-	22,720
	<hr/>		<hr/>
Total Expenses and Losses	6,141,565	15,000	6,156,565
	<hr/>		<hr/>
Increase in Net Assets	1,095,222	-	1,095,222
	<hr/>		<hr/>
Net Assets, Beginning of Year	5,630,256	15,000	5,645,256
	<hr/>		<hr/>
Net Assets, End of Year	\$ 6,725,478	\$ 15,000	\$ 6,740,478
	<hr/>		<hr/>

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Statement of Cash Flows
 For the Year Ended June 30, 2016**

Cash Flows from Operating Activities	
Increase in Net Assets	\$ 1,095,222
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities	
Depreciation	30,602
Loss on Disposal of Equipment	22,720
Increase in Grants Receivable	(63,736)
Decrease in Interest Receivable	3,537
Decrease in Prepaid Expenses	732
Decrease in Accounts Payable	(19,951)
Increase in Accrued Liabilities	23,608
Increase in Deferred Revenue	<u>58,032</u>
Total Adjustments	<u>55,544</u>
Net Cash Provided by Operating Activities	<u>1,150,766</u>
Cash Flows from Investing Activities	
Purchase of Fixed Assets	(725,677)
Unrealized Gain on Certificates of Deposit	<u>(47,935)</u>
Net Cash Used in Investing Activities	<u>(773,612)</u>
Net Increase in Cash and Cash Equivalents	377,154
Cash and Cash Equivalents, Beginning of Year	<u>3,290,661</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,667,815</u>

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Lake Forest Elementary Charter School (the School) was created as a non-profit corporation under the laws of the State of Louisiana on March 14, 2006. The School applied to the Orleans Parish School Board (OPSB) to operate a Type 3 charter school. In July 2011, the School received a 10-year extension of the charter. The School serves eligible students in pre-kindergarten through eighth grade.

The School leases its building rent free from the Recovery School District (RSD). The Orleans Parish School Board constructed a new building which the School relocated to in January 2016. The School made improvements in the amount of \$698,710 to the site of the new school which has been recorded as leasehold improvements.

A summary of the School's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Financial Statement Presentation

The School follows the guidance of the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The School is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the School is required to present a statement of cash flows.

The School also follows the guidance of the *Not-for-Profit Entities* Topic of the FASB ASC, whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the donor-imposed time or purpose restrictions. Restricted contributions for which the restriction is met in the same year are classified as unrestricted.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the School are prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Revenues

The School's primary source of funding is through the State Public School Funding and the Orleans Parish School Board. State and federal grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fixed Assets and Depreciation

Fixed assets are recorded at historical cost or estimated historical cost if historical cost is not available. Betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Normal building maintenance and minor equipment purchases are included as expenses of the School.

Income Taxes

The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income.

Statement of Cash Flows

For purposes of the statement of cash flows, the School considers all investments purchased with an original maturity of three months or less to be cash equivalents.

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.

Concentrations

The School received 83% of its revenues in the year ended June 30, 2016 from the State Public School Funding and the Orleans Parish School Board, subject to its charter school contract with OPSB, and 8% of its funding from the federal government.

As noted earlier, the School is leasing its building from the RSD rent free. Should this lease not be extended further, it would have an unfavorable impact to the School.

Note 2. Cash and Certificate of Deposit

The School's cash and cash equivalents (book balances) at June 30, 2016, were \$3,667,815, which are stated at cost and approximate market.

The School periodically maintains cash in bank accounts in excess of insured limits. The School has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

The School's investments are limited to a certificate of deposit totaling \$2,247,935, which is stated at cost, which approximates market.

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 3. Grants Receivable

As of June 30, 2016, grants receivable totaled \$183,938, which is a combination of state and federal grants passed through the Orleans Parish School Board. These receivables are considered to be fully collectible.

Note 4. Fixed Assets

Depreciation expense for the year ended June 30, 2016, was \$30,602. Depreciation is calculated using the straight-line method with useful lives of 5 to 30 years.

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

Note 5. Accrued Liabilities

As of June 30, 2016, the School has recorded accrued liabilities of \$69,385, which consists of accrued salaries and payroll liabilities.

Note 6. Designated Net Assets

At June 30, 2016, \$620,684 of unrestricted net assets represents funds raised by the Parent Teacher Organization which are designated to support the operations of the School.

Note 7. Temporarily Restricted Net Assets

During the year ended June 30, 2015, the School received a \$15,000 donation from a local foundation which was restricted for fifth grade social studies. This donation was expended during the year ended June 30, 2016.

During the year ended June 30, 2016, the School received a \$15,000 donation from a local foundation which is restricted for pottery art supplies.

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 8. Retirement Plans

Substantially all employees of the School participate in the Teachers' Retirement System of Louisiana. One employee is a member of the Louisiana State Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to the plans follows.

Teachers' Retirement System of Louisiana (TRSL)

Plan Description: The TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRSL issues a publicly available financial report that includes financial statements and required supplementary information for the TRSL. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123. At June 30, 2015, the TRSL was 62.5% funded.

Funding Policy: Plan members are required to contribute 8% of their annual covered salary. The School is required to contribute at an actuarially determined rate. During the year ended June 30, 2016, the employer contribution rate was 26.3%. Member contributions and employer contributions for the TRSL are established by state law, and rates are established by the Public Retirement System's Actuarial Committee. The School's employer contribution to the plan for the years ended June 30, 2016, 2015, and 2014, was \$761,006, \$769,690, and \$684,224, respectively, which was equal to the required contribution. The School's first year to contribute to the plan was the year ended June 30, 2007.

Louisiana State Employees' Retirement System (LASERS)

Plan Description: The LASERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information for the LASERS. That report may be obtained by writing to the Louisiana State Employees' Retirement System, P. O. Box 44213, Baton Rouge, LA 70804, or by calling (225) 922-1131. At June 30, 2015, the LASERS was 62.7% funded.

Funding Policy: Plan members who joined the plan on or before June 30, 2006, are required to contribute 7.5% of their annual covered salary. Plan members who joined the plan on or after July 1, 2006, are required to contribute 8% of their annual covered salary. The School is required to contribute at an actuarially determined rate. The rate for the 2015-2016 fiscal year was 32.7%. Member contributions and employer contributions for the LASERS are established by state law, and rates are established by the Public Retirement System's Actuarial Committee. The School's employer contribution to the plan for the years ended June 30, 2016, 2015, and 2014, was \$-0-, \$2,357, and \$15,516, respectively, which was equal to the required contribution.

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA**

Notes to Financial Statements

Note 9. Uncertain Income Taxes

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The School believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements. Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

Note 10. Related Parties

During the year ended June 30, 2016, the School contracted with a construction company to perform site work and provide fill material at the School's new campus. That construction company purchased fill material from a company that is partly owned by one of the School's board members.

Note 11. Subsequent Events

In accordance with ASC 855, the School has evaluated subsequent events through September 20, 2016, the date that these financial statements were available to be issued, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**SCHEDULES REQUIRED BY LOUISIANA STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)**



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Lake Forest Elementary Charter School
New Orleans, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Lake Forest Elementary Charter School (the School) and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Lake Forest Elementary Charter School 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. The School's management is responsible for the School's data. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings that relate to the accompanying schedules of supplemental information are as follows:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Findings:

None.

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Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers" (Schedule 4) to the combined total number of full time classroom teachers per this schedule and to School supporting payroll records as of October 1st.
3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of principals, assistant principals, and full time classroom teachers by classification as of October 1st and as reported on the schedule. We traced 25 of the teachers to the individual's personnel file to determine if the individual's education level was properly classified on the schedule.

Findings:

None.

Number and Type of Public Schools (Schedule 3)

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

Findings:

None.

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

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

Findings:

None.

Public School Staff Data: Average Salaries (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full time equivalents as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full time equivalents were properly included on the schedule.
8. We recalculated the average salaries and full time equivalents reported on the schedule.

Findings:

None.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Findings:

None.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported on the schedule by the School.

Findings:

None.

Graduation Exit Exam (GEE) (Schedule 8)

11. Not applicable.

iLEAP Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported on the schedule by the School.

Findings:

None.

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

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

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
September 20, 2016

LAKE FOREST ELEMENTARY CHARTER SCHOOL
Schedules Required by Louisiana State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2016

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

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

Schedule 2 - Education Levels of Public School Staff

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

Schedule 3 - Number and Type of Public Schools

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

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

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

Schedule 5 - Public School Staff Data: Average Salaries

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

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

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

Schedule 8 - Graduation Exit Exam (GEE)

Not applicable.

Schedule 9 - iLEAP Tests

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2016**

Schedule 1

<u>General Fund Instructional and Equipment Expenditures</u>	
General Fund Instructional Expenditures	
Teacher and Student Interaction Activities	
Classroom Teacher Salaries	\$ 1,746,491
Other Instructional Staff Salaries	233,756
Instructional Staff Employee Benefits	670,280
Purchased Professional and Technical Services	-
Instructional Materials and Supplies	143,995
Instructional Equipment	<u>-</u>
Total Teacher and Student Interaction Activities	\$ 2,794,522
Other Instructional Activities	6,355
Pupil Support Services	239,779
Less: Equipment for Pupil Support Services	<u>-</u>
Net Pupil Support Services	239,779
Instructional Staff Services	216,230
Less: Equipment for Instructional Staff Services	<u>-</u>
Net Instructional Staff Services	216,230
School Administration	602,334
Less: Equipment for School Administration	<u>-</u>
Net School Administration	602,334
Total General Fund Instructional Expenditures	<u>\$ 3,859,220</u>
Total General Fund Equipment Expenditures	<u>\$ -</u>
<u>Certain Local Revenue Sources</u>	
Local Taxation Revenue	
Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes	-
Other than School Taxes	-
Sales and Use Taxes	<u>-</u>
Total Local Taxation Revenue	<u>\$ -</u>
Local Earnings on Investment in Real Property	
Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	<u>-</u>
Total Local Earnings on Investment in Real Property	<u>\$ -</u>
State Revenue in Lieu of Taxes	
Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	<u>-</u>
Total State Revenue in Lieu of Taxes	<u>\$ -</u>
Nonpublic Textbook Revenue	<u>\$ -</u>
Nonpublic Transportation Revenue	<u>\$ -</u>

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

LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Education Levels of Public School Staff
 As of October 1, 2015

Schedule 2

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	18	53%	5	100%				
Master's Degree	12	35%					1	100%
Master's Degree +30	4	12%			1	100%		
Specialist in Education								
Ph. D. or Ed. D.								
Total	34	100%	5	100%	1	100%	1	100%

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
Number and Type of Public Schools
For the Year Ended June 30, 2016**

Schedule 3

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

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Experience of Public Principals, Assistant Principals,
 and Full Time Classroom Teachers
 As of October 1, 2015**

Schedule 4

	0 - 1 Yr.	2 - 3 Yrs.	4 - 10 Yrs.	11 - 14 Yrs.	15 - 19 Yrs.	20 - 24 Yrs.	25+ Yrs.	Total
Principals and Assistant Principals				1	1			2
Classroom Teachers	2	5	15	1	5	4	7	39
Total	2	5	15	2	6	4	7	41

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

LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Public School Staff Data: Average Salaries
 For the Year Ended June 30, 2016

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers Salary Including Extra Compensation	\$51,267	\$50,752
Average Classroom Teachers Salary Excluding Extra Compensation	\$47,563	\$46,841
Number of Teacher Full Time Equivalents (FTEs) Used in Computation of Average Salaries	37.33	33.33

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

LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Class Size Characteristics
 As of October 1, 2015

Schedule 6

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	40%	12	60%	18				

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2016**

Schedule 7

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2016		2015		2014		2016		2015		2014		2016		2015		2014		2016		2015		2014	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 4																								
Advanced	22	32%	N/A	N/A	11	22%	25	36%	N/A	N/A	18	35%	15	21%	12	21%	14	28%	N/A	N/A	11	18%	4	8%
Mastery	40	58%	N/A	N/A	29	56%	38	55%	N/A	N/A	24	47%	36	51%	25	42%	18	35%	N/A	N/A	22	36%	24	47%
Basic	6	9%	N/A	N/A	11	22%	8	9%	N/A	N/A	9	18%	19	27%	23	37%	18	35%	N/A	N/A	26	44%	23	45%
Approaching Basic	1	1%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	1	1%	0	0%	1	2%	N/A	N/A	1	2%	0	0%
Unsatisfactory	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	N/A	N/A	0	0%	0	0%
Total	69	100%	0	0%	51	100%	71	100%	0	0%	51	100%	71	100%	60	100%	51	100%	0	0%	60	100%	51	100%

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2016		2015		2014		2016		2015		2014		2016		2015		2014		2016		2015		2014	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 8																								
Advanced	22	41%	N/A	N/A	12	21%	8	19%	N/A	N/A	17	30%	11	21%	9	16%	5	10%	N/A	N/A	17	28%	15	27%
Mastery	29	55%	N/A	N/A	29	52%	29	67%	N/A	N/A	12	21%	29	55%	29	48%	33	58%	N/A	N/A	33	55%	34	60%
Basic	2	4%	N/A	N/A	15	27%	6	14%	N/A	N/A	27	49%	13	24%	20	33%	18	32%	N/A	N/A	10	17%	7	13%
Approaching Basic	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	2	3%	0	0%	N/A	N/A	0	0%	0	0%
Unsatisfactory	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	N/A	N/A	0	0%	0	0%
Total	53	100%	0	0%	56	100%	43	100%	0	0%	56	100%	53	100%	60	100%	56	100%	0	0%	60	100%	56	100%

The LEAP was not administered for English and Mathematics for Grades 4 and 8 for the 2014-2015 school year.
The LEAP was not administered for Social Studies for Grades 4 and 8 for the 2015-2016 school year.

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
Graduation Exit Exam (GEE)
For the Year Ended June 30, 2016**

Schedule 8

The School is an elementary school; therefore, this schedule does not apply.

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

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
iLEAP Tests
For the Year Ended June 30, 2016**

Schedule 9

District Achievement Level Results	English Language Arts						Mathematics						Science				Social Studies							
	2016		2015		2014		2016		2015		2014		2016		2015		2014		2016		2015		2014	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 3																								
Advanced	17	23%	N/A	N/A	12	20%	31	42%	N/A	N/A	17	28%	24	33%	13	20%	5	8%	N/A	N/A	16	25%	7	12%
Mastery	48	66%	N/A	N/A	32	53%	36	50%	N/A	N/A	28	47%	30	41%	33	50%	31	52%	N/A	N/A	33	50%	33	55%
Basic	7	10%	N/A	N/A	15	25%	4	5%	N/A	N/A	15	25%	17	23%	18	28%	20	33%	N/A	N/A	15	23%	20	33%
Approaching Basic	1	1%	N/A	N/A	1	2%	2	3%	N/A	N/A	0	0%	2	3%	1	2%	4	7%	N/A	N/A	1	2%	0	0%
Unsatisfactory	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	N/A	N/A	0	0%	0	0%
Total	73	100%	0	0%	60	100%	73	100%	0	0%	60	100%	73	100%	65	100%	60	100%	0	0%	65	100%	60	100%

District Achievement Level Results	English Language Arts						Mathematics						Science				Social Studies							
	2016		2015		2014		2016		2015		2014		2016		2015		2014		2016		2015		2014	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 5																								
Advanced	12	18%	N/A	N/A	7	12%	5	8%	N/A	N/A	11	19%	16	24%	13	23%	14	24%	N/A	N/A	19	34%	21	35%
Mastery	42	63%	N/A	N/A	31	53%	36	55%	N/A	N/A	15	25%	30	46%	19	34%	31	52%	N/A	N/A	22	39%	18	31%
Basic	10	15%	N/A	N/A	19	32%	19	28%	N/A	N/A	32	54%	20	30%	23	41%	13	22%	N/A	N/A	14	25%	19	32%
Approaching Basic	1	2%	N/A	N/A	2	3%	6	9%	N/A	N/A	1	2%	0	0%	1	2%	1	2%	N/A	N/A	1	2%	1	2%
Unsatisfactory	1	2%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	N/A	N/A	0	0%	0	0%
Total	66	100%	0	0%	59	100%	66	100%	0	0%	59	100%	66	100%	56	100%	59	100%	0	0%	56	100%	59	100%

District Achievement Level Results	English Language Arts						Mathematics						Science				Social Studies							
	2016		2015		2014		2016		2015		2014		2016		2015		2014		2016		2015		2014	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 6																								
Advanced	16	24%	N/A	N/A	15	25%	9	13%	N/A	N/A	26	43%	16	24%	17	31%	19	32%	N/A	N/A	34	61%	34	56%
Mastery	48	70%	N/A	N/A	31	52%	42	62%	N/A	N/A	13	22%	30	44%	30	54%	28	46%	N/A	N/A	14	26%	19	32%
Basic	4	6%	N/A	N/A	14	23%	16	24%	N/A	N/A	20	33%	22	32%	7	13%	13	22%	N/A	N/A	6	11%	7	12%
Approaching Basic	0	0%	N/A	N/A	0	0%	1	1%	N/A	N/A	1	2%	0	0%	1	2%	0	0%	N/A	N/A	1	2%	0	0%
Unsatisfactory	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	N/A	N/A	0	0%	0	0%
Total	68	100%	0	0%	60	100%	68	100%	0	0%	60	100%	68	100%	55	100%	60	100%	0	0%	55	100%	60	100%

District Achievement Level Results	English Language Arts						Mathematics						Science				Social Studies							
	2016		2015		2014		2016		2015		2014		2016		2015		2014		2016		2015		2014	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
Grade 7																								
Advanced	21	37%	N/A	N/A	26	40%	8	14%	N/A	N/A	23	35%	18	31%	18	33%	19	29%	N/A	N/A	44	81%	37	57%
Mastery	34	60%	N/A	N/A	27	41%	33	58%	N/A	N/A	16	25%	40	69%	30	56%	37	57%	N/A	N/A	9	17%	21	32%
Basic	2	3%	N/A	N/A	11	17%	16	28%	N/A	N/A	25	38%	0	0%	5	9%	8	12%	N/A	N/A	1	2%	7	11%
Approaching Basic	0	0%	N/A	N/A	1	2%	0	0%	N/A	N/A	1	2%	0	0%	1	2%	1	2%	N/A	N/A	0	0%	0	0%
Unsatisfactory	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	N/A	N/A	0	0%	0	0%
Total	57	100%	0	0%	65	100%	57	100%	0	0%	65	100%	58	100%	54	100%	65	100%	0	0%	54	100%	65	100%

The iLEAP was not administered for English and Mathematics for Grades 3, 5, 6, and 7 for the 2014-2015 school year.
The iLEAP was not administered for Social Studies for Grades 3, 5, 6, and 7 for the 2015-2016 school year.

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

SUPPLEMENTARY INFORMATION

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
Schedule of Board of Directors
For the Year Ended June 30, 2016**

<u>Board Members</u>	<u>Compensation</u>
G. Lee Caston 22124 Nolan Road Covington, LA 70435	\$-0-
Gina Dupart 6652 Manchester Road New Orleans, LA 70126	\$-0-
Leila Eames 5820 Eastover Drive South New Orleans, LA 70128	\$-0-
Denise Williams 2342 Prentiss Avenue New Orleans, LA 70122	\$-0-
Windi Brown Smith 5629 Berkley Drive New Orleans, LA 70131	\$-0-
Brian K. Richburg, Sr. 7710 Wave Drive New Orleans, LA 70128	\$-0-
Enix Smith, III 7009 Lake Willow Drive New Orleans, LA 70126	\$-0-

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
 NEW ORLEANS, LOUISIANA
 Schedule of Compensation, Benefits, and Other Payments
 to Agency Head or Chief Executive Officer
 For the Year Ended June 30, 2016**

Agency Head
 Mardele S. Early, Founding Chief Executive Officer

Purpose	Amount
Salary	\$163,867
Benefits - Health Insurance	\$5,592
Benefits - Retirement	\$44,807
Benefits - Life Insurance	\$595
Benefits - Vacation Pay	\$7,500
Benefits - Worker's Compensation	\$857
Benefits - Dental	\$253
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

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

Independent Auditor's Report

To the Board of Directors
Lake Forest Elementary Charter School
New Orleans, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Lake Forest Elementary Charter School (the School), which comprise the statement of financial position as of June 30, 2016, 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 September 20, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 the School'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 School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Covington, LA
September 20, 2016

**LAKE FOREST ELEMENTARY CHARTER SCHOOL
NEW ORLEANS, LOUISIANA
Schedule of Findings and Responses
For the Year Ended June 30, 2016**

Part I. Summary of Auditor's Results

Financial Statements

- | | | |
|----|---|------------|
| 1) | Type of auditor's report | Unmodified |
| 2) | Internal control over financial reporting and compliance and other matters: | |
| | a) Material weaknesses identified? | No |
| | b) Significant deficiencies identified? | No |
| | c) Noncompliance material to the financial statements? | No |
| | d) Other matters identified? | No |

Federal Awards

Not applicable.

Part II. Findings Related to the Financial Statements

None