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May 7, 2020

Board of Directors  
New Beginnings Schools Foundation  
New Orleans, Louisiana

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for New Beginnings Schools Foundation (the Foundation).

We will apply the agreed-upon procedures listed below that were specified and agreed to by the Foundation, the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties) on the schedules of performance and statistical data accompanying the basic financial statements of the Foundation for the fiscal year ended June 30, 2020, in order 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 1929, in compliance with Louisiana Revised Statute 24:514 I.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. The sufficiency of the procedures performed or to be performed is solely the responsibility of the specified parties. We will require the Foundation's acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed below do not constitute an examination or review, we will not express an opinion or conclusion on the schedules of performance and statistical data. In addition, we have no obligation to perform any procedures relative to these schedules beyond those listed.

We will issue a written report upon completion of our engagement that lists the procedures performed; our findings, and management's response to our findings. Our report will be included and submitted with the audit report of the Foundation. Our report will be addressed to the Board of Directors, the Louisiana Department of Education, and the Louisiana Legislative Auditor. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. Should such situation arise, we will notify you and the Legislative Auditor.

You understand that the report is intended solely for the information and use of the Foundation; the Louisiana Department of Education, and the Louisiana Legislative Auditor; and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, the report will be distributed by the Louisiana Legislative Auditor as a public document. Our report will contain a

paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you and the Louisiana Legislative Auditor any known and suspected fraud and noncompliance with laws or regulations affecting the schedules of performance and statistical data that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict management's assertions regarding the performance and statistical data, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

Management of the Foundation is responsible for internal controls and compliance with laws and regulations related to its schedules of performance and statistical data; for selecting the criteria and procedures, and for providing us with a written assertion about whether the schedules are free of obvious errors and omissions. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the schedules of performance and statistical data, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the Foundation from whom we determine it necessary to obtain evidence relating to performing those procedures.

The procedures that will be performed are as follows:

*General Fund Instructional and Support Expenditures and Certain Local Revenue Sources*

*(Schedule 1)*

1. We will select a sample of 25 transactions, review supporting documentation, and observe that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among 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, and
  - Nonpublic Transportation Revenue.

*Class Size Characteristics (Schedule 2)*

2. We will obtain a list of classes by school, school type, and class size as reported on the schedule. We will then trace a sample of 10 classes to the October 1st roll books for those classes and observe that the class was properly classified on the schedule.

Education Levels/Experience of Public School Staff (NO SCHEDULE)

3. We will obtain October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtain management's representation that the data/listing is complete. We will then select a sample of 25 individuals, trace to each individual's personnel file, and observe that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We will obtain June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtain management's representation that the data/listing is complete. We will then select a sample of 25 individuals, trace to each individual's personnel file, and observe that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

You are responsible for assuming all management responsibilities and for overseeing the nonattest services we provide (financial statement preparation, schedule of expenditures of federal awards preparation, and related notes, assistance with FAC filing, tax return preparation, and any other nonattest services) by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the agreed-upon procedures in accordance with standards established by the American Institute of Certified Public Accountants.

Amy D. Verberne, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We plan to begin our procedures in September 2020 and, unless unforeseeable problems are encountered, the engagement should be completed by December 31, 2020.

We expect our fees for these services will not exceed \$2,000 for the year ended June 30, 2020. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

It is understood that our working papers are confidential information. However, we will make our working papers available to the Legislative Auditor, any successor auditor, any federal or state grantor agencies, the cognizant agency, or any organization of the Louisiana Board of

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Certified Public Accountants authorized to perform quality assurance reviews. Should we become aware of any illegal acts, we will make our working papers available to the local District Attorney or any other state or federal enforcement or regulatory agency without liability. We will retain the working papers for five (5) years.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Sincerely,

*Cam, Riggs & Ingram, L.L.C.*

**RESPONSE:**

This letter correctly sets forth the understanding of New Beginnings Schools Foundation.

\_\_\_\_\_  
Management Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Governance Signature

\_\_\_\_\_  
Title