

# **Avoyelles Public Charter School, Inc.**

## **Annual Financial Report**

**June 30, 2010**

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 1/26/11

# AVOYELLES PUBLIC CHARTER SCHOOL, INC.

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**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**

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**10191 Bueche Road**  
**Bueche, LA 70729**

Member:  
American Institute of Certified Public Accountants  
Society of Louisiana of Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Avoyelles Public Charter School, Inc.  
Mansura, Louisiana

I have audited the accompanying statements of financial position of the Avoyelles Public Charter School, Inc. (a nonprofit organization) as of June 30, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from Avoyelles Public Charter School, Inc.'s 2009 financial statements and, in my report dated January 14, 2010, I expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of the Avoyelles Public Charter School, Inc. as of June 30, 2010, and the changes in its net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated January 11, 2011 on my consideration of Avoyelles Public Charter School, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of this 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Avoyelles Public Charter School, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**W. Kathleen Beard, CPA**  
January 11, 2011

**W. Kathleen Beard  
Certified Public Accountant  
10191 Bueche Road  
Bueche, LA 70729**

Member:  
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**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  
Avoyelles Public Charter School, Inc.  
Mansura, Louisiana

I have audited the financial statements of the Avoyelles Public Charter School, Inc. (a nonprofit organization) as of and for the year ended June 30, 2010, and have issued my report thereon dated January 11, 2011. 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.

**Internal Control over Financial Reporting**

In planning and performing my audit, I considered the Avoyelles Public Charter School, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. According I do not express an opinion on the effectiveness of the organization's internal control over financial reporting.

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, 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.

My consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Avoyelles Public Charter School, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors and management of the Avoyelles Public Charter School, Inc., State of Louisiana and Federal granting agencies, and the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*W. Kathleen Beard, CPA*  
January 11, 2011

## **BASIC FINANCIAL STATEMENTS**

# AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Mansura, Louisiana

## Statements of Financial Position

June 30, 2010 with comparative totals for 2009

ASSETS	2010	2009
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 818,795	\$ 1,908,569
Accrued interest receivable	26,340	32,457
Accounts receivable	572	154
Due from the State of LA	409,126	-
Grants receivable	410,325	461,987
Total Current Assets	<u>1,665,158</u>	<u>2,403,167</u>
<b>Restricted Assets:</b>		
Cash and cash equivalents	168,119	151,763
Total Restricted Assets	<u>168,119</u>	<u>631,318</u>
<b>Property and Equipment:</b>		
Property and Equipment (Net of Accumulated Depreciation)	13,155,648	13,272,984
<b>Other Assets:</b>		
Cash and cash equivalents - designated	2,929,391	2,500,375
Investments - designated	1,958,613	1,908,288
Total Other Assets	<u>4,888,003</u>	<u>3,929,109</u>
Total Assets	<u><u>\$ 19,876,928</u></u>	<u><u>\$ 20,236,577</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 106,835	\$ 130,505
Retainage payable	3,700	7,300
Accrued expenses	311,775	220,101
Due to others	52,759	42,895
Lease payable - current portion	14,130	14,130
Notes payable - current portion	288,458	246,959
Deferred revenue	-	2,000
Total Current Liabilities	<u>777,658</u>	<u>663,890</u>
<b>Long-term Liabilities:</b>		
Capital lease payable	-	14,130
Notes payable	10,542,569	11,439,290
Total Long-term Liabilities	<u>10,542,569</u>	<u>11,453,420</u>
Total Liabilities	<u>11,320,227</u>	<u>12,117,310</u>
<b>Net Assets:</b>		
Unrestricted	3,553,338	3,601,736
Unrestricted - designated	4,888,003	3,929,108
Unrestricted - designated by loan covenant	115,359	108,868
Total Net Assets	<u>8,556,701</u>	<u>8,119,267</u>
Total Liabilities & Net Assets	<u><u>\$ 19,876,928</u></u>	<u><u>\$ 20,236,577</u></u>

See accompanying notes to financial statements.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Mansura, Louisiana**  
**Statement of Activities**  
**For the year ended June 30, 2010 with comparative totals for 2009**

	<u>2010</u>	<u>2009</u>
<b>UNRESTRICTED NET ASSETS</b>		
<b>Public Support and Revenue</b>		
State MFP revenue	\$ 4,623,358	\$ 4,613,362
Federal and state grants	857,377	632,110
Student fees	88,252	75,127
Donations	9,853	4,475
Miscellaneous revenue	228,206	170,842
Interest earned	63,909	125,258
	<hr/>	<hr/>
Total unrestricted revenue and gains	5,870,955	5,621,174
<b>Expenses:</b>		
Program expenses	4,813,965	4,441,369
Supporting services -		
Administrative expenses	593,055	582,063
Fund raising expenses	26,501	24,106
	<hr/>	<hr/>
Total expenses	5,433,521	5,047,538
	<hr/>	<hr/>
Increase in unrestricted net assets	437,434	573,636
<b>Net assets at beginning of period</b>	<hr/> 8,119,267	<hr/> 7,545,631
<b>Net assets at end of period</b>	<hr/> <u>\$ 8,556,701</u>	<hr/> <u>\$ 8,119,267</u>

See accompanying notes to financial statements.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Mansura, Louisiana**  
**Statement of Cash Flow**  
**For the years ended June 30, 2010, with comparative totals for 2009**

	<u>2010</u>	<u>2009</u>
<b>Cash flows from operating activities:</b>		
Increase in net assets	\$ 437,434	\$ 573,636
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	460,469	434,531
(Increase) decrease in operating assets:		
Accounts/grants receivable	(357,464)	1,088
Accrued receivables	6,117	(14,807)
Other receivables	(418)	(154)
Increase (decrease) in operating liabilities:		
Accounts payable	(23,670)	87,183
Accrued expenses	91,674	21,059
Payable to others (activity funds)	9,864	28,263
Deferred revenue	(2,000)	2,000
Net cash provided by operating activities	622,006	1,132,799
<b>Cash flows from investing activities:</b>		
Payment for purchases of property and equipment	(343,133)	(134,177)
Payments for purchases of investments	(50,325)	(80,314)
Increases/(decreases) in contracts and retainages payable	(3,600)	(10,900)
Net cash (used) by investing activities	(397,058)	(225,390)
<b>Cash flows from financing activities:</b>		
Proceeds from USDA financing	86,051	0
Proceeds from capital lease financing	-	42,390
Payment of capital lease	(14,130)	(14,130)
Payments of note principal	(941,272)	(238,737)
Net cash provided (used) by financing activities	(869,351)	(210,477)
<b>Net increase (decrease) in cash and cash equivalents</b>	(644,403)	696,931
<b>Cash and cash equivalents, Beginning of Year</b>	4,560,707	3,863,776
<b>Cash and cash equivalents, End of Year</b>	<u>\$ 3,916,304</u>	<u>\$ 4,560,707</u>
<b>Disclosure:</b>		
Interest expense	<u>\$ 475,892</u>	<u>\$ 492,111</u>

See accompanying notes to financial statements.

**Avoyelles Public Charter School, Inc.**  
**Mansura, Louisiana**  
**Statement of Functional Expenses**  
**For the years ended June 30, 2010 with comparative totals for 2009**

	***2010***				2009
	<u>Program</u> <u>Expenses</u>	<u>Administrative</u> <u>Expenses</u>	<u>Fund Raising</u> <u>Expenses</u>	<u>Total</u>	<u>Total</u>
<b>Expenses:</b>					
Salaries	\$ 2,162,127	\$ 272,313	\$ -	\$ 2,434,440	\$ 2,182,053
Payroll taxes	28,580	4,623	-	33,203	29,861
Employee group insurance	240,258	39,319	-	279,577	277,252
Retirement fund contribution	333,874	54,942	-	388,816	340,379
Other employee benefits	37,481	3,317	-	40,798	19,504
Retirees' group benefits	27,544	0	-	27,544	13,664
Transportation	214,755	0	-	214,755	229,708
Advertising	0	1,058	-	1,058	1,069
Depreciation expense	460,469	0	-	460,469	434,531
Dues and fees	974	13,737	-	14,711	1,774
Insurance	100,661	6,896	-	107,557	102,196
Repairs and maintenance	47,320	0	-	47,320	39,880
Audit/accounting services	0	68,500	-	68,500	66,000
Legal services	0	2,349	-	2,349	13,132
Other professional services	65,190	25,900	-	91,090	91,872
Miscellaneous expense	50,824	7,195	26,501	84,520	61,752
Bank charges and fees	97	319	-	416	911
Purchased educational services	12,127	0	-	12,127	11,619
Materials and supplies	107,258	77,031	-	184,288	178,276
Books and periodicals	80,050	0	-	80,050	58,022
Telephone and postage	33,600	7,895	-	41,495	41,123
Uniforms	0	7,662	-	7,662	0
Utilities	150,243	0	-	150,243	167,525
Food service management	184,641	0	-	184,641	193,324
Interest expense	475,892	0	-	475,892	492,111
<b>Totals</b>	<b>\$ 4,813,965</b>	<b>\$ 593,055</b>	<b>\$ 26,501</b>	<b>\$ 5,433,521</b>	<b>\$ 5,047,538</b>

See accompanying notes to financial statement.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements**  
**June 30, 2010**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

The Avoyelles Public Charter School, Inc. was granted a charter by the State Board of Elementary and Secondary Education in 1999 to provide a stimulating environment to academically challenged elementary school children. The School incorporates firm policies of discipline with parental and community involvement so that students will master essential academic and life skills. The Avoyelles Public Charter School, Inc. is a Type 2 Charter School governed by a board of directors.

The Avoyelles Public Charter School, Inc. is a nonprofit organization exempt from federal and state income tax under Section 501(c)(3) of the United States Internal Revenue Code.

Basis of Accounting

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

Public Support and Revenue

Avoyelles Public Charter School, Inc. receives its grant support primarily from the Louisiana State Department of Education. Approximately 84% of the School's funding is from the Louisiana Departments of Education and 7% from the U.S. Department of Education.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Avoyelles Public Charter School, Inc. had no temporarily or permanently restricted net assets as of June 30, 2010 arising from contributions.

Cash and cash equivalents

The School considers all unrestricted, highly liquid investments with an initial maturity of less than three months as cash and cash equivalents.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property and Equipment

Purchased property and equipment are capitalized at cost. It is the School's policy to capitalize expenditures for these items in excess of \$1,000. Lesser amounts are expensed. Furniture and fixtures are being depreciated over estimated useful lives of five to seven years using a straight-line method. Property and equipment are being depreciated over their estimated useful lives using the straight-line method, using the following lives:

Transportation equipment	5 years
Furniture & fixtures	5 - 7 years
Machinery & equipment	5 - 10 years
Buildings	40 years

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2009, from which the summarized information was derived.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE B – CASH AND INVESTMENTS**

At June 30, 2010, cash and cash equivalents consisted of the following:

Petty Cash	\$ 50
Cash in checking accounts (demand accounts)	872,256
Short term investments	<u>3,044,049</u>
Total	<u>\$ 3,916,305</u>

At June 30, 2010, the School holds investments totaling \$ 1,958,613 as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
Certificates of Deposit	<u>\$ 1,958,613</u>	<u>\$ 1,958,613</u>
Total	<u>\$ 1,958,613</u>	<u>\$ 1,958,613</u>

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2010, the School's deposits (bank balances) totaled \$5,925,862. These deposits are secured from risk by \$2,092,422 of federal deposit insurance. The remaining balance of \$3,833,440 was covered entirely by the pledge of securities (Category 3).

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE C – DUE FROM THE STATE OF LOUISIANA**

At June 30, 2010, MFP funds due from the State of Louisiana amounted to \$409,126.

**NOTE D - GRANTS RECEIVABLE**

Grants and contracts receivable are deemed to be fully collectible by management and are comprised of the following amounts due at June 30, 2010:

	<u>2010</u>
United States Department of Education -	
IDEA/Special Education	\$ 108,445
IDEA/Special Education - ARRA	12,138
IDEA/Preschool	1,962
IDEA/Preschool - ARRA	2,241
Title I	248,652
Title II	15,917
Title IV	1,771
Louisiana State Board of Elementary and Secondary Education -	
8 G Superior Textbooks Programs	630
8 G Local Teacher Quality	3,287
8 G Student Remediation	10,633
Other -	
E-Rate	<u>4,649</u>
	<u>\$ 410,325</u>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE D – FIXED ASSETS**

A summary of fixed assets is as follows:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010
Land and land improvements	\$ 1,559,489			\$ 1,559,489
Buildings	12,341,361			12,341,361
Building improvements	44,925			44,925
Transportation equipment	108,300	18,429		126,729
Furniture and fixtures	262,760	850		263,610
Machinery and equipment	449,185	323,854		773,039
 Total Fixed Assets	 14,766,020	 343,133	 -	 15,109,153
 Accumulated depreciation	 (1,493,036)	 (460,469)		 (1,953,505)
 Net Fixed Assets	 <u>\$ 13,272,984</u>			 <u>\$ 13,155,648</u>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE E – CURRENT PORTION LONG-TERM DEBT**

A schedule of payments due within one year on long-term debt is as follows:

<b>Debt:</b>	<u>Amount Due Within One Year</u>
USDA \$1,600,000 Loan	\$ 91,598
USDA \$500,000 Loan	19,181
USDA \$600,000 Loan	16,099
USDA \$7,502,000 Loan	94,946
USDA \$2,200,000 Loan	30,437
Qualified Zone Academy Bonds	36,196
	<u>\$ 288,458</u>

**NOTE F – LONG-TERM NOTE PAYABLE**

**United States Department of Agriculture**

By resolution of the Board of Directors on February 22, 2000, the Avoyelles Public Charter School, Inc. authorized the incurrence of indebtedness in the principal amount of \$1,600,000 for the purpose of providing the cost of building an educational facility. The Board of Directors entered into a security agreement with the United States Department of Agriculture (USDA) Rural Development Division to borrow \$1,600,000 at an interest rate of 5.125% payable over twenty-five years. At June 30, 2010, the school had outstanding principal balances of \$569,556. Future debt service requirements are as follows:

<b>Fiscal Year</b>	<b>*****\$1,600,000*****</b>		
<b><u>Ended</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2011	91,598	27,058	118,656
2012	96,404	22,252	118,656
2013	101,463	17,193	118,656
2014	106,787	11,869	118,656
2015	112,390	6,266	118,656
2016-2024	60,914	941	61,855
<b>Totals</b>	<b>\$ 569,556</b>	<b>\$ 85,579</b>	<b>\$ 655,135</b>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE F – LONG-TERM NOTE PAYABLE (Continued)**

**United States Department of Agriculture**

By resolution of the Board of Directors on September 17, 2004, the Avoyelles Public Charter School, Inc. authorized the incurrence of indebtedness in the principal amount of \$1,100,000 for the purpose of financing the cost of Phase II of the Campus Improvement Project which consisted of construction of entrance road, parking, site grading, drainage, and utilities. On March 8, 2005, the Board of Directors entered into two separate security agreements with the United States Department of Agriculture (USDA) Rural Development Division to borrow \$600,000 and \$500,000, each at an interest rate of 4.5% payable over twenty-five years. At June 30, 2010, the school had and outstanding principal balances of \$539,159 and \$341,138, respectively. Future debt service requirements are as follows:

*****\$600,000*****			
<b>Fiscal Year</b>			
<b><u>Ended</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2011	16,099	23,933	40,032
2012	16,839	23,193	40,032
2013	17,613	22,419	40,032
2014	18,422	21,610	40,032
2015	19,268	20,764	40,032
2016-2024	450,919	179,196	630,116
<b>\$</b>	<b>539,159</b>	<b>\$ 291,116</b>	<b>\$ 830,276</b>

*****\$500,000*****			
<b>Fiscal Year</b>			
<b><u>Ended</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2011	19,181	14,959	34,140
2012	20,062	14,078	34,140
2013	20,984	13,156	34,140
2014	21,948	12,192	34,140
2015	22,956	11,184	34,140
2016-2024	236,006	47,221	283,227
<b>\$</b>	<b>341,138</b>	<b>\$ 112,789</b>	<b>\$ 453,927</b>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE F – LONG-TERM NOTE PAYABLE (Continued)**

**United States Department of Agriculture**

By resolution of the Board of Directors on August 30, 2005, the Avoyelles Public Charter School, Inc. authorized the incurrence of indebtedness in the principal amount of \$7,502,000, for the purpose of financing the cost of Phase IV of the Campus Improvement Project which consists of construction of the high school building, gymnasium and performing arts building. On August 30, 2005, the Board of Directors entered into a security agreement with the United States Department of Agriculture (USDA) Rural Development Division to borrow \$7,502,000 at an interest rate of 4.125% payable over forty years. At June 30, 2010 the school had an outstanding balance of \$7,147,724. Future debt service requirements are as follows:

*****\$7,502,000*****			
Fiscal Year <u>Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	94,946	293,062	388,008
2012	98,938	289,070	388,008
2013	103,097	284,911	388,008
2014	107,431	280,577	388,008
2015	111,947	276,061	388,008
2016-2045	6,631,366	4,871,106	11,502,471
	<u>\$ 7,147,724</u>	<u>\$ 6,294,787</u>	<u>\$ 13,442,511</u>

**United States Department of Agriculture**

By resolution of the Board of Directors on August 30, 2005, the Avoyelles Public Charter School, Inc. authorized the incurrence of indebtedness in the principal amount of \$2,200,000, for the purpose of financing the cost of Phase IV of the Campus Improvement Project which consists of construction of the high school building, gymnasium and performing arts building. On August 30, 2005, the Board of Directors entered into a security agreement with the United States Department of Agriculture (USDA) Rural Development Division to borrow \$2,200,000 at an interest rate of 4.125% payable over forty years. At June 30, 2010 the school had an outstanding balance of \$2,034,373. Future debt service requirements are pending completion of drawdown of cash advances on loan, projected debt service requirements are as follows:

*****\$2,200,000*****			
Fiscal Year <u>Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	30,437	83,347	113,784
2012	31,717	82,067	113,784
2013	33,050	80,734	113,784
2014	34,440	79,344	113,784
2015	35,887	77,897	113,784
2016-2042	1,868,842	1,258,127	3,126,968
	<u>\$ 2,034,373</u>	<u>\$ 1,661,516</u>	<u>\$ 3,695,888</u>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE F – LONG-TERM NOTE PAYABLE (Continued)**

**Louisiana Local Government Environmental Facilities and Community Development Authority**

By resolution of the Board of Directors on December 1, 2001, the Avoyelles Public Charter School, Inc. authorized the incurrence of indebtedness in the principal amount of \$497,694. The Board of Directors entered into a loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority to borrow \$497,694 interest free through the issuance of Qualified Zone Academy Bonds (QZAB's) payable over thirteen years. At June 30, 2008 the school had drawn down the full amount of \$497,694. As of June 30, 2010 the school had an outstanding balance of \$199,077. Future debt service requirements are as follows:

<b>Qualified Zone Academy Bonds (QZABS)</b>				
<b>Fiscal Year</b>				
<b><u>Ended</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>		<b><u>Total</u></b>
2011	36,196	-		36,196
2012	36,196	-		36,196
2013	36,196	-		36,196
2014	36,196	-		36,196
2015	36,196			36,196
2016	18,098	-		18,098
Totals	\$ 199,077	\$ -	\$ -	\$ 199,077

**NOTE G – CAPITAL LEASE**

The School entered into a capital lease with Apple Financial Services to finance the purchase of computers costing \$42,390. The lease is for a period of three years with annual payments of \$14,130. The lease provides for an option to purchase the equipment at the end of the lease for \$1. The School will make the final payment of \$14,130 during the next fiscal year as follows:

<b>Fiscal Year</b>				
<b><u>Ended</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>		<b><u>Total</u></b>
2011	14,130	-		14,130
	\$ 14,130	\$ -	\$ -	\$ 14,130

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE H – OPERATING LEASES**

The School has several non-cancelable operating leases, primarily for copy machines, that expire at various dates through 2013. Those leases generally contain automatic renewal options for twelve month periods. Rental expense for those leases was \$32,408 annually for the year ended June 30, 2010. The minimum lease payments for the remainder of the lease are as follows:

2011	\$	32,408
2012		8,712
2013		993
	\$	<u>42,114</u>

**NOTE I – NET ASSETS**

**Unrestricted - Designated –**

It is the policy of the Board of Directors to review its plans for future property improvements and acquisitions from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such improvements and acquisitions. At June 30, 2010, net assets designated by the Board of Directors amounted to \$4,888,003.

**Unrestricted - Designated by Loan Covenant –**

This portion of unrestricted net assets represent those portions not appropriable for expenses and are contractually segregated by financing agreements described as follows:

USDA \$1,600,000 Loan - The loan covenant for the outstanding loan with the USDA requires a reserve account deposit each month in the amount \$950 until the amount on deposit is equal to the reserve fund requirement. The reserve account was funded in the amount of \$115,518 at June 30, 2010 and these funds are presented in the financial statements as unrestricted net assets – designated by loan covenant.

When necessary, reserves may be used for payments due on the note if sufficient funds are not available in the General or Debt Service account. With prior written approval of the Government, funds may be withdrawn for:

- 1) paying the cost of repairing or replacing any damage to the Facility which may have been caused by catastrophe, or
- 2) making extension or improvements to the facility.

**NOTE J – SCHOOL ACTIVITY DEPOSITS DUE TO OTHERS**

The school acts as custodian for several student activity bank accounts. Funds held on behalf of these groups amounted to \$52,402 at June 30, 2010, and are reported as both an asset (restricted cash) and a liability (Due to others). Consequently, there is no effect on the school's net assets.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE K – RETIREMENT SYSTEMS**

Substantially all employees of the School are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel, are members of the Louisiana School Employees' Retirement System. These systems are cost sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

**A. Teachers' Retirement System of Louisiana (TRS)**

**Plan Description.** The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS 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 TRS issues a publicly available financial report and includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

**Funding Policy.** Plan members are required to contribute 8.0 percent, 9.1 percent, and 5.0 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School is required to contribute at an actuarially determined rate. The current rate is 15.8 percent of annual covered payroll for all three membership plans. Member contributions and employer's contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations and by remittances from the School.

The School's contributions to the TRS for the years ending June 30, 2010, 2009, and 2008 were \$502,622, \$448,272, \$423,517, respectively, equal to the required contributions for each year.

**B. Louisiana School Employees' Retirement System (LSERS)**

**Plan Description.** The LSERS 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 LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

**Funding Policy.** Plan members are required to contribute 7.5 percent of their annual covered salary, and the school board is required to contribute at an actuarially determined rate. The current rate is 19.6 percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law, and rates are established by the Public Retirement Systems' Actuarial Committee. The School's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The School's contributions to the LSERS for the year ending June 30, 2010, 2009, and 2008, were \$31,351, \$28,465, and \$26,048, respectively, equal to the required contributions for each year.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Notes to Financial Statements (continued)**  
**June 30, 2010**

**NOTE L – COMPENSATED ABSENCES**

The school has the following policy relating to annual leave:

Teachers and staff are allowed a maximum of 10 cumulative sick and/or personal days per year. These days will not carry over to the next year, but may, at the discretion of the board, be used for extended sick leave if an employee has a medical event that necessitates longer than 10 days of recovery, and permission is granted by the board of directors of Avoyelles Public Charter School. At the time of retirement, death or termination, no monies will be owed or paid to an employee for accumulated sick days. If an employee leaves the charter school to continue in another public school system, the accumulated days on record will be transferred to that system upon resignation from Avoyelles Public Charter School.

**NOTE M – NONCOMPLIANCE WITH GRANTOR OR DONOR RESTRICTIONS**

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the school for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

**NOTE N – SUBSEQUENT EVENTS**

Subsequent events were evaluated through January 11, 2011, which is the date the financial were available to be issued.

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

**W. Kathleen Beard**  
**Certified Public Accountant**  
**10191 Bueche Road**  
**Bueche, LA 70729**

Member:  
American Institute of Certified Public Accountants  
Society of Louisiana of Certified Public Accountants

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

To the Board of Directors  
Avoyelles Public Charter School, Inc.  
Mansura, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Avoyelles Public Charter School, Inc. 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 the Avoyelles Public Charter School, Inc. 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. Management of Avoyelles Public Charter School, Inc. is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I 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.

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

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

1. I reconciled amounts reported in Schedule 1 in the categories listed below to respective general ledger account balances to determine that 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, and
  - Nonpublic Transportation Revenue.

No significant differences noted.

#### **Education Levels of Public School Staff (Schedule 2)**

2. I reconciled the total number of full-time classroom teachers per the schedule "Experience of Public 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.

No differences noted.

3. I reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences noted.

4. I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. I traced a population of 12 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

No differences noted.

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

5. 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 Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

No differences noted.

#### **Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)**

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

No differences noted.

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

7. I obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a population of 12 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

No differences noted.

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

No differences noted.

**Class Size Characteristics (Schedule 6)**

9. I 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. I 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.

No differences noted.

**Louisiana Educational Assessment Program (LEAP) (Schedule 7)**

10. I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Avoyelles Public Charter School, Inc..

No differences noted.

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

11. I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Avoyelles Public Charter School, Inc.

No differences noted.

**iLEAP Tests (Schedule 9)**

12. I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Avoyelles Public Charter School, Inc.

No differences noted.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had 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 use of management of the Avoyelles Public Charter School, Inc., 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 Legislative Auditor as a public document.

***W. Kathleen Beard, CPA***

January 11, 2011

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.  
MANSURA, LOUISIANA**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2010**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures:**

**Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$ 1,559,746	
Other Instructional Staff Activities	89,451	
Employee Benefits	607,141	
Purchased Professional and Technical Services	26,316	
Instructional Materials and Supplies	146,055	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities		\$ 2,428,709

Other Instructional Activities 223,352

Pupil Support Activities	7,969	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		7,969

Instructional Staff Services	135,627	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		135,627

School Administration	202,363	
Less: Equipment for School Administration	-	
Net School Administration		202,363

Total General Fund Instructional Expenditures \$ 2,998,020

Total General Fund Equipment Expenditures \$ -

**Certain Local Revenue Sources**

**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	-
Sales and Use Taxes	-
Total Local Taxation Revenue	\$ -

**Local Earnings on Investment in Real Property:**

Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	\$ -

**State Revenue in Lieu of Taxes:**

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ -

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

**AVOYELLES PUBLIC CHARTER SCHOOL  
MANSURA, LOUISIANA**

**Education Levels of Public School Staff  
As of October 1, 2009**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	21	57%	8	19%	1	100%	0	0%
Master's Degree	2	5%	5	13%	0	0%	0	0%
Master's Degree + 30	0	0%	1	3%	0	0%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	0	0%	1	3%	0	0%	0	0%
<b>Total</b>	<b>23</b>	<b>62%</b>	<b>15</b>	<b>38%</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.  
MANSURA, LOUISIANA****Number and Type of Public Schools  
For the Year Ended June 30, 2010**

Type	Number
Elementary	0
Middle/Jr. High	0
Secondary	0
Combination	1
<b>Total</b>	<b>1</b>

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

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.  
MANSURA, LOUISIANA**

**Experience of Public Principals and Full-time Classroom Teachers  
As of October 1, 2009**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	0	0	0	0	0
Principals	0	0	0	1	0	0	0	1
Classroom Teachers	5	5	16	2	7	2	1	38
<b>Total</b>	5	5	16	3	7	2	1	39

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.  
MANSURA, LOUISIANA**

**Public School Staff Data  
For the Year Ended June 30, 2010**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC and Rehired Retirees</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	\$ 41,803.07	\$ 41,434.75
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	\$ 41,304.36	\$ 40,903.53
<b>Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries</b>	38.5996	36.2374

**Note:** Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**MANSURA, LOUISIANA**

**Class Size Characteristics**  
**As of October 1, 2009**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	0%	0	0%	0	0%	0	0%	0
Elementary Activity Classes	0%	0	0%	0	0%	0	0%	0
Middle/Jr. High	0%	0	0%	0	0%	0	0%	0
Middle/Jr. High Activity Classes	0%	0	0%	0	0%	0	0%	0
High	0%	0	0%	0	0%	0	0%	0
High Activity Classes	0%	0	0%	0	0%	0	0%	0
Combination	8%	2	8%	2	84%	22	0%	0
Combination Activity Classes	0%	0	0%	0	0%	0	0%	0

**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.

Louisiana Educational Assessment Program (LEAP) for the 21st Century  
For the Year Ended June 30, 2010

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	2	4%	2	3%	0	0%	6	11%	2	3%	1	2%
Mastery	12	22%	13	20%	16	27%	23	42%	16	25%	15	25%
Basic	33	60%	38	59%	28	47%	23	42%	38	59%	32	53%
Approaching Basic	7	13%	8	13%	10	17%	3	5%	5	8%	8	13%
Unsatisfactory	1	1%	3	5%	5	8%	0	0%	3	5%	4	7%
<b>Total</b>	<b>55</b>	<b>100%</b>	<b>64</b>	<b>100%</b>	<b>59</b>	<b>99%</b>	<b>55</b>	<b>100%</b>	<b>64</b>	<b>100%</b>	<b>60</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 4</b>												
Advanced	2	4%	4	6%	1	2%	6	11%	1	2%	1	2%
Mastery	12	22%	9	14%	11	19%	23	42%	10	16%	16	27%
Basic	33	60%	37	58%	27	45%	23	42%	41	63%	32	54%
Approaching Basic	7	13%	11	17%	17	29%	3	5%	11	17%	4	7%
Unsatisfactory	1	1%	3	5%	3	5%	0	0%	1	2%	6	10%
<b>Total</b>	<b>55</b>	<b>100%</b>	<b>64</b>	<b>100%</b>	<b>59</b>	<b>100%</b>	<b>55</b>	<b>100%</b>	<b>64</b>	<b>100%</b>	<b>59</b>	<b>100%</b>

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	3	7%	1	2%	1	2%	6	11%	14	29%	5	10%
Mastery	12	26%	3	6%	12	23%	23	42%	3	6%	3	6%
Basic	28	60%	32	67%	25	48%	23	42%	31	65%	31	60%
Approaching Basic	3	7%	11	23%	13	25%	3	5%	0	0%	7	13%
Unsatisfactory	0	0%	1	2%	1	2%	0	0%	0	0%	6	11%
<b>Total</b>	<b>46</b>	<b>100%</b>	<b>48</b>	<b>100%</b>	<b>52</b>	<b>100%</b>	<b>55</b>	<b>100%</b>	<b>48</b>	<b>100%</b>	<b>52</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 8</b>												
Advanced	5	11%	3	6%	1	2%	2	4%	2	4%	1	2%
Mastery	10	22%	15	31%	13	25%	11	24%	10	21%	6	12%
Basic	30	65%	26	54%	22	42%	32	70%	28	58%	26	49%
Approaching Basic	1	2%	4	8%	12	23%	1	2%	8	17%	16	31%
Unsatisfactory	0	0%	0	0%	4	8%	0	0%	0	0%	3	6%
<b>Total</b>	<b>46</b>	<b>100%</b>	<b>48</b>	<b>99%</b>	<b>52</b>	<b>100%</b>	<b>46</b>	<b>100%</b>	<b>48</b>	<b>100%</b>	<b>52</b>	<b>100%</b>

The Graduation Exit Exam for the 21st Century  
For the Year Ended June 30, 2010

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 10</b>												
Advanced	2	4%	1	2%	0	0%	8	16%	1	2%	5	9%
Mastery	13	27%	2	5%	7	13%	11	23%	10	23%	15	27%
Basic	24	49%	30	70%	37	67%	24	49%	27	63%	24	44%
Approaching Basic	8	16%	10	23%	9	16%	3	6%	4	9%	6	11%
Unsatisfactory	2	4%	0	0%	2	4%	3	6%	1	2%	5	9%
<b>Total</b>	<b>49</b>	<b>100%</b>	<b>43</b>	<b>100%</b>	<b>55</b>	<b>100%</b>	<b>49</b>	<b>100%</b>	<b>43</b>	<b>99%</b>	<b>55</b>	<b>100%</b>

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 11</b>												
Advanced	0	0%	4	8%	5	11%	0	0%	0	0%	0	0%
Mastery	14	35%	8	15%	12	26%	4	10%	7	13%	8	17%
Basic	21	52%	27	51%	17	36%	29	72%	38	72%	27	59%
Approaching Basic	3	8%	14	26%	9	20%	5	13%	6	11%	10	22%
Unsatisfactory	2	5%	0	0%	3	7%	2	5%	2	4%	1	2%
<b>Total</b>	<b>40</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>46</b>	<b>100%</b>	<b>40</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>46</b>	<b>100%</b>

ILEAP Tests  
For the Years Ended June 30, 2010, 2009 and 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	2	4%	4	8%	2	4%	2	4%
Mastery	16	31%	14	27%	12	23%	11	21%
Basic	26	50%	27	51%	29	56%	30	58%
Approaching Basic	7	13%	6	12%	8	15%	6	12%
Unsatisfactory	1	2%	1	2%	1	2%	3	5%
<b>Total</b>	<b>52</b>	<b>100%</b>	<b>52</b>	<b>100%</b>	<b>52</b>	<b>100%</b>	<b>52</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	2	3%	1	2%	1	2%	3	5%
Mastery	10	17%	5	8%	6	10%	7	12%
Basic	30	49%	32	52%	30	49%	35	57%
Approaching Basic	14	23%	14	23%	19	31%	10	16%
Unsatisfactory	5	8%	9	15%	5	8%	6	10%
<b>Total</b>	<b>61</b>	<b>100%</b>	<b>61</b>	<b>100%</b>	<b>61</b>	<b>100%</b>	<b>61</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	3	5%	1	2%	1	2%	3	5%
Mastery	13	23%	9	16%	15	26%	9	16%
Basic	27	47%	34	59%	25	43%	37	65%
Approaching Basic	13	23%	10	18%	14	25%	7	12%
Unsatisfactory	1	2%	3	5%	2	4%	1	2%
<b>Total</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	3	5%	6	11%	3	5%	0	0%
Mastery	8	15%	10	18%	11	20%	12	22%
Basic	30	55%	36	65%	29	53%	34	62%
Approaching Basic	14	25%	2	4%	11	20%	6	11%
Unsatisfactory	0	0%	1	2%	1	2%	3	5%
<b>Total</b>	<b>55</b>	<b>100%</b>	<b>55</b>	<b>100%</b>	<b>55</b>	<b>100%</b>	<b>55</b>	<b>100%</b>

ILEAP Tests  
For the Years Ended June 30, 2010, 2009 and 2008

District Achievement Level Results	English Language Arts		Mathematics					
	2010		2010					
Students	Number	Percent	Number	Percent				
<b>Grade 9</b>								
Advanced	0	0%	4	7%				
Mastery	6	11%	4	7%				
Basic	34	62%	37	68%				
Approaching Basic	14	25%	9	16%				
Unsatisfactory	1	2%	1	2%				
<b>Total</b>	<b>55</b>	<b>100%</b>	<b>55</b>	<b>100%</b>				

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	2	4%	0	0%	0	0%	0	0%
Mastery	12	21%	8	14%	9	16%	15	27%
Basic	31	55%	31	56%	29	52%	29	52%
Approaching Basic	10	18%	14	25%	15	27%	9	16%
Unsatisfactory	1	2%	3	5%	3	5%	3	5%
<b>Total</b>	<b>56</b>	<b>100%</b>	<b>56</b>	<b>100%</b>	<b>56</b>	<b>100%</b>	<b>56</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	1	2%	1	2%	2	4%	1	2%
Mastery	12	21%	9	16%	10	18%	3	5%
Basic	33	58%	27	46%	29	50%	45	79%
Approaching Basic	7	12%	10	18%	15	26%	5	9%
Unsatisfactory	4	7%	10	18%	1	2%	3	5%
<b>Total</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	1	2%	1	2%	1	2%	0	0%
Mastery	8	14%	6	11%	11	19%	5	9%
Basic	35	61%	39	67%	24	42%	31	55%
Approaching Basic	10	18%	6	11%	19	33%	15	27%
Unsatisfactory	3	5%	5	9%	2	4%	5	9%
<b>Total</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>57</b>	<b>100%</b>	<b>56</b>	<b>100%</b>

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.  
MANSURA, LOUISIANA**

**Schedule 9**

**ILEAP Tests  
For the Years Ended June 30, 2010, 2009 and 2008**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	2	4%	4	8%	1	2%	0	0%
Mastery	8	16%	9	18%	14	29%	7	14%
Basic	27	56%	34	70%	23	47%	23	47%
Approaching Basic	11	22%	2	4%	9	18%	14	29%
Unsatisfactory	1	2%	0	0%	2	4%	5	10%
<b>Total</b>	<b>49</b>	<b>100%</b>	<b>49</b>	<b>100%</b>	<b>49</b>	<b>100%</b>	<b>49</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics					
	2009		2009					
Students	Number	Percent	Number	Percent				
<b>Grade 9</b>								
Advanced	0	0%	7	7%				
Mastery	6	13%	6	7%				
Basic	31	66%	27	68%				
Approaching Basic	8	17%	6	16%				
Unsatisfactory	2	4%	1	2%				
<b>Total</b>	<b>47</b>	<b>100%</b>	<b>47</b>	<b>100%</b>				

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 3</b>								
Advanced	2	4%	4	8%	2	4%	2	4%
Mastery	16	31%	14	27%	12	23%	11	21%
Basic	26	50%	27	51%	29	56%	30	58%
Approaching Basic	7	13%	6	12%	8	15%	6	12%
Unsatisfactory	1	2%	1	2%	1	2%	3	5%
<b>Total</b>	<b>52</b>	<b>100%</b>	<b>52</b>	<b>100%</b>	<b>52</b>	<b>100%</b>	<b>52</b>	<b>100%</b>

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 5</b>								
Advanced	2	3%	1	2%	1	2%	3	5%
Mastery	10	17%	5	8%	6	10%	7	12%
Basic	30	49%	32	52%	30	49%	35	57%
Approaching Basic	14	23%	14	23%	19	31%	10	16%
Unsatisfactory	5	8%	9	15%	5	8%	6	10%
<b>Total</b>	<b>61</b>	<b>100%</b>	<b>61</b>	<b>100%</b>	<b>61</b>	<b>100%</b>	<b>61</b>	<b>100%</b>

ILEAP Tests  
For the Years Ended June 30, 2010, 2009 and 2008

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 6</b>								
Advanced	3	5%	1	2%	1	2%	3	5%
Mastery	13	23%	9	16%	15	26%	9	16%
Basic	27	47%	34	59%	25	43%	37	65%
Approaching Basic	13	23%	10	18%	14	25%	7	12%
Unsatisfactory	1	2%	3	5%	2	4%	1	2%
Total	57	100%	57	100%	57	100%	57	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Grade 7</b>								
Advanced	3	5%	6	11%	3	5%	0	0%
Mastery	8	15%	10	18%	11	20%	12	22%
Basic	30	55%	36	65%	29	53%	34	62%
Approaching Basic	14	25%	2	4%	11	20%	6	11%
Unsatisfactory	0	0%	1	2%	1	2%	3	5%
Total	55	100%	55	100%	55	100%	55	100%

District Achievement Level Results	English Language Arts		Mathematics					
	2008		2008					
Students	Number	Percent	Number	Percent				
<b>Grade 9</b>								
Advanced	0	0%	4	7%				
Mastery	6	11%	4	7%				
Basic	34	62%	37	68%				
Approaching Basic	14	25%	9	16%				
Unsatisfactory	1	2%	1	2%				
Total	55	100%	55	100%				

**INFORMATION REQUIRED BY OMB CIRCULAR A-133**

**W. Kathleen Beard**  
**Certified Public Accountant**  
**10191 Bueche Road**  
**Bueche, LA 70729**

Member:  
American Institute of Certified Public Accountants  
Society of Louisiana of Certified Public Accountants

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

To the Board of Directors  
Avoyelles Public Charter School, Inc.  
Mansura, Louisiana

I have audited the compliance of Avoyelles Public Charter School, Inc. (a nonprofit organization) with types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. Avoyelles Public Charter School, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Avoyelles Public Charter School's management. My responsibility is to express an opinion on Avoyelles Public Charter School's compliance based on my audit.

I conducted my 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 Avoyelles Public Charter School's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Avoyelles Public Charter School's compliance with those requirements.

In my opinion, Avoyelles Public Charter School, Inc. complied, in all material respects, with the 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, 2010.

### Internal Control over Compliance

Management of Avoyelles Public Charter School, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Avoyelles Public Charter School's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Avoyelles Public Charter School, Inc.'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 control deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with of a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

My consideration of the 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 that might be deficiencies, or significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses as defined above.

This report is intended solely for the information and use of management, Board of Directors, and federal awarding agencies and the State of Louisiana and is not intended to be and should not be used by anyone other these specified parties.

*W. Kathleen Beard, CPA*

January 11, 2011

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Mansura, Louisiana**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2010**

<u>Federal Grantor/Pass-through Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Agriculture:			
Pass-through programs from:			
Louisiana Department of Education -			
National School Lunch Program	10.555	-	\$ 113,398
Pass-through programs from:			
Louisiana Department of Education -			
Title I - Grants to Local Educational Agencies -			
Part A - Basic	84.010A	28-05-T1-7A	248,652
Title I - Grants to Local Educational Agencies - ARRA	84.389A		142,812
Special education Grants to States - IDEA Part B	84.027A	28-05-B1-7A	108,445
Special education Grants to States - IDEA Part B - ARRA	84.391A		161,513
Special education Preschool Grants	84.173A	28-05-P1-7A	1,962
Special education Preschool Grants - ARRA	84.392A		2,242
Title IV - Safe & Drug-Free Schools & Communities	84.186A	28-05-70-7A	1,771
Title II - Teacher & Principal Training & Recruitment Fund	84.367A	28-05-50-7A	15,917
The Universal Service Administrative Company (USAC)			
Federal Communications Commission (FCC)			
Universal Service Fund - Schools & Libraries (E-Rate)	N/A		31,529
Total expenditures of federal awards			<u>\$ 828,241</u>

**Notes to Schedule of Expenditures of Federal Awards:**

**Note A Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Avoyelles Public Charter School, Inc. and is presented on the accrual basis of accounting.

The schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements

**Note B Subrecipients**

Avoyelles Public Charter School, Inc. provided no federal funds to subrecipients.

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Summary Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2010**

I have audited the basic financial statements of Avoyelles Public Charter School, Inc., as of and for the year ended June 30, 2010, and have issued my report thereon dated January 11, 2011. 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 and the provisions of OMB Circular A-133. My audit of the financial statements as of June 30, 2010 resulted in an unqualified opinion.

**Section I – Summary of Auditor's Reports**

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

**Internal Control**

Material Weaknesses    ☐ Yes    ☒ No                      Significant Deficiencies    ☐ Yes    ☒ No

**Compliance**

Compliance Material to the Financial Statements    ☐ Yes    ☒ No

**Federal Awards**

**Internal Control**

Material Weaknesses    ☐ Yes    ☒ No                      Significant Deficiencies    ☐ Yes    ☒ No

**Type of Opinion on Compliance For Major Programs**

Unqualified    ☒                      Qualified    ☐                      Disclaimer    ☐                      Adverse    ☐

The programs tested as major programs included:

U. S. Dept of Education Title I – Grants to Local Educational Agencies Part A  
U. S. Dept of Education Special Education – Title I ARRA

The threshold for distinguishing Type A and B programs was \$300,000.

Avoyelles Public Charter School, Inc. was determined to be a low-risk auditee.

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?    ☐ Yes    ☒ No

Was a management letter issued?                      ☐ Yes    ☒ No

**AVOYELLES PUBLIC CHARTER SCHOOL, INC.**  
**Summary Schedule of Prior Year Findings**  
**Year Ended June 30, 2009**

**Section I – Internal Control and Compliance Material to the Financial Statements Required by Government Auditing Standards**

No findings noted.

**Section II – Internal Control and Compliance Material to Federal Awards**

No findings noted.

**Section III – Management Letter**

No management letter issued