

**MILLER-MCCOY ACADEMY  
FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA**

Audit of Financial Statements

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 1/12/11

## Contents

---

<b>Independent Auditor's Report</b>	1 - 2
-------------------------------------	-------

---

### **Financial Statements**

Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10

---

<b>Independent Accountant's Report on Applying Agreed-Upon Procedures</b>	11 - 14
---	---------

---

<b>Schedules Required by Louisiana State Law (R.S. 24:514 - Performance and Statistical Data):</b>	15 - 16
--	---------

	Schedule	
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	1	17
Education Levels of Public School Staff	2	18
Number and Type of Public Schools	3	19
Experience of Public Principals, Assistant Principals and Full Time Classroom Teachers	4	20
Public School Staff Data	5	21
Class Size Characteristics	6	22
Louisiana Educational Assessment Program (LEAP)	7	23
Graduation Exit Exam	8	24
iLEAP Test Results	9	25

---

### **Supplemental Information**

Schedule of Board of Directors	27
--------------------------------	----

**Contents (Continued)**

---

<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	28 - 29
--	---------

---

<b>Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133</b>	30 - 31
--	---------

---

<b>Schedule of Expenditures of Federal Awards</b>	32
---	----

---

<b>Schedule of Findings and Questioned Costs</b>	33 - 34
--	---------

---

<b>Schedule of Prior Year Findings and Responses</b>	35
--	----



## Independent Auditor's Report

To the Board of Directors  
Miller-McCoy Academy for Mathematics and Business  
New Orleans, Louisiana

We have audited the accompanying statement of financial position of Miller-McCoy Academy for Mathematics and Business (the School), a non-profit organization, as of June 30, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

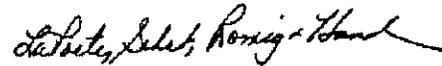
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School, 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*, we have also issued a report dated October 5, 2010, 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 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 our audit.

The schedules required by Louisiana State law included as 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School taken as a whole. The accompanying supplemental information is presented for the purposes of additional analysis and is not a required part of the financial statements. 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 our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



A Professional Accounting Corporation

October 5, 2010

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Financial Position**  
**June 30, 2010**

---

<b>Assets</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 266,120
Grants Receivable	208,785
Prepaid Expenses	<u>11,973</u>
<b>Total Assets</b>	<b><u>\$ 486,878</u></b>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$ 181,924
Accrued Expenses	<u>193,699</u>
<b>Total Liabilities</b>	<b><u>375,623</u></b>
<b>Net Assets</b>	
Unrestricted	<u>111,255</u>
<b>Total Net Assets</b>	<b><u>111,255</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 486,878</u></b>

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**Statement of Activities**  
**For the Year Ended June 30, 2010**

	<b>Unrestricted</b>
<b>Revenue, Grants and Other Support</b>	
State Public School Funding	\$ 2,844,707
Federal Sources	756,557
Other Income	53,059
Private Grants and Donations	<u>43,480</u>
<b>Total Revenue, Grants and Other Support</b>	<u>3,697,803</u>
<b>Expenses</b>	
Program Services	
Regular Education Programs	1,654,728
School Administration	569,948
Student Transportation Services	311,180
Special Education Programs	282,010
Operation and Maintenance of Plant Services	150,064
Pupil Support Services	130,158
Other Instructional Programs	55,505
Food Service Operations	37,408
Instructional Staff Services	30,265
Management and General	
Business Services	156,728
General Administration	116,987
Central Services	<u>630</u>
<b>Total Expenses</b>	<u>3,495,611</u>
<b>Increase in Net Assets</b>	202,192
<b>Net Assets, Beginning of Year</b>	<u>(90,937)</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 111,255</u></u>

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Statement of Cash Flows  
For the Year Ended June 30, 2010**

---

<b>Cash Flows from Operating Activities</b>	
Increase in Net Assets	\$ 202,192
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities	
(Increase) Decrease in:	
Grants and Other Receivables	(88,331)
Prepaid Expenses	11,011
Increase (Decrease) in:	
Accounts Payable	(88,743)
Accrued Expenses	<u>189,195</u>
<b>Net Cash Provided by Operating Activities</b>	<u>225,324</u>
<b>Net Increase in Cash and Cash Equivalents</b>	225,324
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>40,796</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 266,120</u></u>

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies**

Miller-McCoy Academy for Mathematics and Business (the School) applied to the Louisiana State Board of Elementary and Secondary Education (BESE) to operate a Type V charter school as defined in Louisiana R.S. 17:3971, et. seq. The School serves eligible students in grades 6, 7, 9, and 10, primarily in Orleans Parish.

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 Fund. The School receives funding per eligible student in attendance on October 1<sup>st</sup>, payable in monthly installments. The October 1<sup>st</sup> student count is audited by the Louisiana Department of Education. Adjustments are made in the following year. State and federal grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

**Grants Receivable**

As of June 30, 2010, this receivable has been discounted based on management's experience with the collection of grants from the State of Louisiana. However, the receivable is considered to be fully collectible.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fixed Assets and Depreciation**

The School presently does not have any fixed assets. All fixed assets are the property of the Recovery School District and as such are the responsibility of the Recovery School District. Betterments, which naturally add to the value of related assets or materially extend the useful lives of assets, are capitalized. Fixed assets are capitalized when the value of a single item exceeds \$5,000 and the item's useful life exceeds one year with reasonable expectation. Normal building maintenance and minor equipment purchases are included as expenses of the School.

**Income Taxes**

The School is recognized by the Internal Revenue Service as a Section 501(c)(3) nonprofit organization. As such, the School is generally exempt from income taxes. It is however, required to file Federal Form 990 - Return of Organization Exempt from Income Tax. This is an informational return only. The School believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that require adjustment to the financial statements.

The School's federal Form 990 for 2008, 2007, and 2006 are subject to examination by the IRS, generally for three years after they were filed.

**Statement of Cash Flows**

For purposes of the statement of cash flows, the School considers all liquid 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 77% of its revenues for the year ended June 30, 2010, from the State of Louisiana (the State), subject to its charter agreement with the State.

The School had no financial instruments that potentially subject the School to concentrations of credit risk.

**Compensated Absences**

The Board of Directors of the School grants all contracted employees of the School a total of 10 days of sick pay per year, provided that the employee is contracted for a full year. The employee must use all sick pay by July 1<sup>st</sup> of each year. Sick pay is not paid out to employees.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 2. Cash and Cash Equivalents**

As of June 30, 2010, cash consisted of demand deposits in local banks of \$266,120. 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.

**Note 3. Grants Receivable**

As of June 30, 2010, grants receivable consisted of amounts due from the following sources:

Federal Grants	<u>\$ 208,785</u>
Total	<u><u>\$ 208,785</u></u>

All amounts listed above are considered fully collectible.

**Note 4. Retirement Plan**

Employees of the School are eligible to participate in the defined contribution plan administered by ING. Pertinent information relative to the plan follows:

**Plan Description**

The plan is a 403(b) defined contribution plan.

**Funding Policy**

Employees are allowed to make contributions during the year subject to the limitations imposed by the IRS. The School is currently not contributing to the plan.

**Note 5. Fixed Assets**

No depreciation expense was incurred for 2010; the Recovery School District provided computers and other capital supplies, as well as leased space to the School. Therefore, no fixed assets were in service for the 2009 - 2010 school year.

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.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 6. Leases**

The School is obligated under a lease with the Recovery School District (RSD) for the modular campus located at 7301 Dwyer Road, New Orleans, Louisiana. The lease is classified as an operating lease and the lease term coincides with the terms of the Charter Contract between the School and BESE. The RSD will forgo any lease payments for the term of the lease.

The School is obligated under a lease for a copier. The lease is classified as an operating lease and the lease term is for 60 months with a monthly base charge of \$207 and began on June 30, 2009.

Future minimum lease payments are as follows for the years ended June 30<sup>th</sup>:

<u>Year</u>	<u>Amount</u>
2011	\$ 2,484
2012	2,484
2013	2,484
2014	<u>2,484</u>
<b>Total</b>	<b><u>\$ 9,936</u></b>

**Note 7. Line of Credit**

The School maintains a \$100,000 line of credit with a local financial institution. The line is unsecured and bears an interest rate which floats with the prime lending rate. As of June 30, 2010, the line of credit had not been used and had no outstanding balance.

**Note 8. Advertising**

The School expenses advertising cost as incurred. Advertising costs are incurred primarily in the recruitment of students. Current year advertising expense was \$5,906.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 9. Subsequent Events**

Management has evaluated subsequent events through the date that the final statements were available to be issued, October 5, 2010, 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.



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

To the Board of Directors  
Miller-McCoy Academy for Mathematics and Business  
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 Miller-McCoy Academy for Mathematics and Business 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 Miller-McCoy Academy for Mathematics and Business, 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). This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and *Governmental 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 accounts 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

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 the School's supporting payroll records, as of October 1<sup>st</sup>.
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 teachers by classification as of October 1<sup>st</sup>, and as reported on the schedule. We traced each 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.

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 teachers by classification as of October 1<sup>st</sup>, 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 (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 equivalent as reported on the schedule, and traced each 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 in 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 1<sup>st</sup> 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 in the schedule by the School.

Findings:

None

Graduation Exit Exam (Schedule 8)

11. We 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 School.

Findings:

None

iLEAP Test Results (Schedule 9)

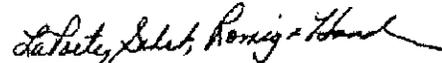
12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School.

Findings:

None

We were 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 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 Miller-McCoy Academy for Mathematics and Business, 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 Professional Accounting Corporation

October 5, 2010

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**Schedules Required by Louisiana State Law**  
**(R.S. 24:514 - Performance and Statistical Data)**  
**As of and For the Year Ended June 30, 2010**

---

**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; 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 teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 5 - Public School Staff Data**

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. This data is currently reported to the Legislature in the Annual School Report (ASR).

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

This schedule represents student performance testing data and includes summary scores 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**

This schedule represents student performance testing data and includes summary scores for grades 10 and 11 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**Schedules Required by Louisiana State Law**  
**(R.S. 24:514 - Performance and Statistical Data)**  
**As of and For the Year Ended June 30, 2010**

---

**Schedule 9 - iLEAP Test Results**

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 in each category tested. 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.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
 NEW ORLEANS, LOUISIANA  
 General Fund Instructional and Support Expenditures  
 and Certain Local Revenue Sources  
 For the Year Ended June 30, 2010**

**Schedule 1**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures:**

<b>Teacher and Student Interaction Activities</b>	
Classroom Teacher Salaries	\$ 1,003,256
Other Instructional Staff Salaries	13,895
Instructional Staff Employee Benefits	117,061
Purchased Professional and Technical Services	111,865
Instructional Materials and Supplies	60,990
Instructional Equipment	<u>14,280</u>
<b>Total Teacher and Student Interaction Activities</b>	<b>\$ 1,321,347</b>
Other Instructional Activities	9,955
Pupil Support Services	138,641
Less: Equipment for Pupil Support Services	<u>-</u>
<b>Net Pupil Support Services</b>	<b>138,641</b>
Instructional Staff Services	19,185
Less: Equipment for Instructional Staff Services	<u>-</u>
<b>Net Instructional Staff Services</b>	<b>19,185</b>
School Administration	499,032
Less: Equipment for School Administration	<u>9,295</u>
<b>Net School Administration</b>	<b><u>489,737</u></b>
<b>Total General Fund Instructional Expenditures</b>	<b><u>\$ 1,978,865</u></b>
<b>Total General Fund Equipment Expenditures</b>	<b><u>\$ 23,575</u></b>

**Certain Local Revenue Sources**

<b>Local Taxation Revenue</b>	
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>
<b>Total Local Taxation Revenue</b>	<b><u>\$ -</u></b>
<b>Local Earnings on Investment in Real Property</b>	
Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	<u>-</u>
<b>Total Local Earnings on Investment in Real Property</b>	<b><u>\$ -</u></b>
<b>State Revenue in Lieu of Taxes</b>	
Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	<u>-</u>
<b>Total State Revenue in Lieu of Taxes</b>	<b><u>\$ -</u></b>
Nonpublic Textbook Revenue	<u>\$ -</u>
Nonpublic Transportation Revenue	<u>\$ -</u>

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**Education Levels of Public School Staff**  
**As of October 1, 2009**

**Schedule 2**

Category	Full Time Classroom Teachers				Principals and Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree								
Bachelor's Degree	18	82%	1	33%			1	33%
Master's Degree	4	18%	2	67%			1	33%
Master's Degree +30								
Specialist in Education								
Ph. D. or Ed. D.							1	34%
<b>Total</b>	<b>22</b>	<b>100%</b>	<b>3</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>3</b>	<b>100%</b>

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Number and Type of Public Schools  
For the Year Ended June 30, 2010**

**Schedule 3**

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

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**Experience of Public Principals, Assistant Principals**  
**and Full Time Classroom Teachers**  
**As of October 1, 2009**

**Schedule 4**

	0 - 1 Yr.	2 - 3 Yrs.	4 -10 Yrs.	11 - 14 Yrs.	15 -19 Yrs.	20 - 24 Yrs.	25+ Yrs.	Total
Assistant Principals							1	1
Principals			1	1				2
Classroom Teachers	8	8	7	1			1	25
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>28</b>

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
 NEW ORLEANS, LOUISIANA  
 Public School Staff Data  
 For the Year Ended June 30, 2010**

**Schedule 5**

	<b>All Classroom Teachers</b>	<b>Classroom Teachers Excluding ROTC, Rehired Retirees and Flagged Salary Reductions</b>
<b>Average Classroom Teachers' Salary Including Extra Compensation</b>	\$49,977	\$49,977
<b>Average Classroom Teachers' Salary Excluding Extra Compensation</b>	\$48,531	\$48,531
<b>Number of Teacher Full Time Equivalent (FTEs) used in Computation of Average Salaries</b>	23.09	23.09

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**Class Size Characteristics**  
**As of October 1, 2009**

**Schedule 6**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Combination	52%	53	31%	32	17%	18		
Combination Activity Classes	44%	7	31%	5	25%	4		

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Louisiana Educational Assessment Program (LEAP)  
For the Year Ended June 30, 2010**

**Schedule 7**

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies											
	2010		2009		2008		2010		2009		2008		2010		2009		2008		2010		2009		2008							
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%						
<b>Grade 9</b>																														
Advanced	0	0%	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	N/A	N/A				
Mastery	0	0%	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	0	0%	0	0%	N/A	N/A				
Basic	2	25%	3	18%	N/A	N/A	1	12%	1	6%	N/A	N/A	0	0%	0	0%	N/A	N/A	0	0%	2	12%	2	12%	N/A	N/A				
Approaching Basic	5	63%	9	53%	N/A	N/A	3	38%	6	35%	N/A	N/A	5	83%	6	35%	N/A	N/A	6	100%	4	23%	4	23%	N/A	N/A				
Unsatisfactory	1	12%	5	29%	N/A	N/A	4	50%	10	59%	N/A	N/A	1	17%	11	65%	N/A	N/A	0	0%	11	65%	11	65%	N/A	N/A				
<b>Total</b>	<b>8</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>8</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>6</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>6</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>17</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>

Note: The School had no grades 4 or 8 during each of the years listed. However, for the years ended June 30, 2010 and 2009, the state required 8 and 17, respectively, of the School's 9<sup>th</sup> grade students to retake the LEAP Exam.

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**Graduation Exit Exam**  
**For the Year Ended June 30, 2010**

**Schedule 8**

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
<b>Grade 10</b>												
Advanced	0	0%	N/A		N/A		0	0%	N/A		N/A	
Mastery	3	4%	N/A		N/A		6	7%	N/A		N/A	
Basic	25	30%	N/A		N/A		23	27%	N/A		N/A	
Approaching Basic	28	33%	N/A		N/A		21	25%	N/A		N/A	
Unsatisfactory	28	33%	N/A		N/A		34	41%	N/A		N/A	
<b>Total</b>	<b>84</b>	<b>100%</b>	N/A		N/A		<b>84</b>	<b>100%</b>	N/A		N/A	

Note: The School had no grade 11 for each of the years listed above. In addition, the School had no grade 10 for the years ended June 30, 2009 and 2008.

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

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS**  
**NEW ORLEANS, LOUISIANA**  
**iLEAP Test Results**  
**For the Year Ended June 30, 2010**

**Schedule 9**

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies											
	2010		2009		2008		2010		2009		2008		2010		2009		2008		2010		2009		2008							
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%						
<b>Grade 6</b>																														
Advanced	0	0%	1	1%	N/A	N/A	1	1%	1	1%	N/A	N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	5	7%	1	1%	N/A	N/A
Mastery	4	5%	11	15%	N/A	N/A	2	3%	10	14%	N/A	N/A	0	0%	5	7%	N/A	N/A	5	7%	5	7%	4	6%	8	13%	4	6%	N/A	N/A
Basic	27	40%	43	59%	N/A	N/A	37	55%	38	53%	N/A	N/A	27	40%	34	46%	N/A	N/A	34	46%	34	46%	46	63%	34	51%	46	63%	N/A	N/A
Approaching Basic	27	40%	13	18%	N/A	N/A	11	16%	12	16%	N/A	N/A	28	41%	20	27%	N/A	N/A	15	22%	15	22%	16	22%	15	22%	16	22%	N/A	N/A
Unsatisfactory	10	15%	5	7%	N/A	N/A	17	25%	12	16%	N/A	N/A	13	19%	14	20%	N/A	N/A	5	7%	5	7%	6	8%	5	7%	6	8%	N/A	N/A
<b>Total</b>	<b>68</b>	<b>100%</b>	<b>73</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>68</b>	<b>100%</b>	<b>73</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>68</b>	<b>100%</b>	<b>73</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>67</b>	<b>100%</b>	<b>73</b>	<b>100%</b>	<b>73</b>	<b>100%</b>	<b>67</b>	<b>100%</b>	<b>73</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies											
	2010		2009		2008		2010		2009		2008		2010		2009		2008		2010		2009		2008							
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%						
<b>Grade 7</b>																														
Advanced	1	1%	N/A	N/A	N/A	N/A	0	0%	N/A	N/A	N/A	N/A	1	1%	N/A	N/A	N/A	N/A	16	19%	N/A	N/A	N/A	N/A	16	19%	N/A	N/A		
Mastery	11	13%	N/A	N/A	N/A	N/A	9	11%	N/A	N/A	N/A	N/A	7	8%	N/A	N/A	N/A	N/A	30	35%	N/A	N/A	N/A	N/A	30	35%	N/A	N/A		
Basic	49	58%	N/A	N/A	N/A	N/A	44	51%	N/A	N/A	N/A	N/A	40	48%	N/A	N/A	N/A	N/A	31	36%	N/A	N/A	N/A	N/A	31	36%	N/A	N/A		
Approaching Basic	18	21%	N/A	N/A	N/A	N/A	17	20%	N/A	N/A	N/A	N/A	24	28%	N/A	N/A	N/A	N/A	5	6%	N/A	N/A	N/A	N/A	5	6%	N/A	N/A		
Unsatisfactory	6	7%	N/A	N/A	N/A	N/A	15	18%	N/A	N/A	N/A	N/A	13	15%	N/A	N/A	N/A	N/A	3	4%	N/A	N/A	N/A	N/A	3	4%	N/A	N/A		
<b>Total</b>	<b>85</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>85</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>85</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>85</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>85</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>		

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%	Nbr.	%
<b>Grade 9</b>												
Advanced	0	0%	0	0%	N/A	N/A	1	2%	0	0%	N/A	N/A
Mastery	1	2%	1	1%	N/A	N/A	3	4%	6	8%	N/A	N/A
Basic	24	41%	39	49%	N/A	N/A	31	53%	36	45%	N/A	N/A
Approaching Basic	29	49%	27	35%	N/A	N/A	18	31%	17	22%	N/A	N/A
Unsatisfactory	5	8%	12	15%	N/A	N/A	6	10%	20	25%	N/A	N/A
<b>Total</b>	<b>59</b>	<b>100%</b>	<b>79</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>	<b>59</b>	<b>100%</b>	<b>79</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>

Note: The School had no grades 3 or 5 for each of the years listed above. Additionally, the School had no grades 6, 7, and 9 for the years listed as not applicable above.

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

**SUPPLEMENTAL INFORMATION**

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Schedule of Board of Directors  
For the Year Ended June 30, 2010**

---

<b><u>Board Members</u></b>	<b><u>Compensation</u></b>
Benton Smallpage, Chairman	\$-0-
Joseph Byrd, Vice-Chairman	\$-0-
Blake Oakes, Secretary	\$-0-
David Bailey, Treasurer	\$-0-
Ralph Brennan	\$-0-
Kelly Brown	\$-0-
Martin de Laoreal	\$-0-
Betty Hope	\$-0-
Nat Jones	\$-0-
Margo Phelps	\$-0-
Damon Singleton	\$-0-
Lynes Sloss	\$-0-
Michael Todd	\$-0-
Randall Walker	\$-0-
Tyronne Walker	\$-0-

All board members can be contacted through the School at (504) 373-6125.



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

To the Board of Directors  
Miller-McCoy Academy for Mathematics and Business  
New Orleans, Louisiana

We have audited the financial statements of Miller-McCoy Academy for Mathematics and Business (the School) as of and for the year ended June 30, 2010, and have issued our report thereon dated October 5, 2010. 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.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

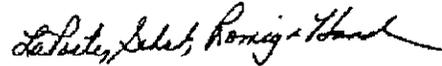
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination 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.

Our 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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed test 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*.

This report is intended for the information and use of management, the Board of Directors, the Louisiana Legislative Auditor, and the Louisiana Department of Education and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

October 5, 2010



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

To the Board of Directors  
Miller-McCoy Academy for Mathematics and Business  
New Orleans, Louisiana

**Compliance**

We have audited the compliance of Miller-McCoy Academy for Mathematics and Business (the School), a non-profit corporation, with the 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 the School's major federal programs for the year ended June 30, 2010. The School'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 the School's management. Our responsibility is to express an opinion on the School's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School's compliance with those requirements.

In our opinion the School 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. However, results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2010 - 1.

30

111 VETERANS MEMORIAL BOULEVARD, SUITE 600, METAIRIE, LA 70005 • 504.835.5522 • FAX 504.835.5535

5100 VILLAGE WALK, SUITE 300, COVINGTON, LA 70433-4912 • 985.892.5850 • FAX 985.892.5956

TOWN HALL WEST, 10000 PERKINS ROWE, STE. 200, BATON ROUGE, LA 70810-1797 • 225.296.5150 • FAX 225.296.5151

WWW.LAPORTE.COM

**RSM McGladrey Network**

An independent member

## Internal Control Over Compliance

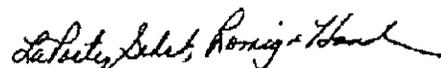
Management of the School is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2010-1. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The School's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Directors, the Louisiana Legislative Auditor, the Louisiana Department of Education, and federal awarding agencies and pass-through entities 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.



A Professional Accounting Corporation

October 5, 2010

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Expenditures
United States Department of Education		
Passed through the Louisiana Department of Education		
Title I - Grants to Local Educational Agencies	84.010	\$ 312,763 *
Public Charter School Program	84.282	201,304
Special Education - Grants to States (IDEA Part B), Recovery Act	84.391	91,826 *
Special Education - Grants to States (IDEA Part B)	84.027	91,029
Improving Teacher Quality State Grants - Title II Grants	84.367	35,348
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	20,908 *
Title I - Grants to Local Educational Agencies, Recovery Act	84.389	2,250 *
Title IV - Twenty First Century Schools	84.287	<u>1,129</u>
<b>Total</b>		<b><u>\$ 756,557</u></b>

This schedule is prepared on the accrual basis of accounting.

\* Denotes Major Program

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
 NEW ORLEANS, LOUISIANA  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2010**

---

**A. Summary of Audit Results**

Financial Statements

1) Type of auditor's report	Unqualified
2) Internal control over financial reporting and compliance and other matters	
a) Material weaknesses identified	None
b) Significant deficiency identified not considered to be material weaknesses	None
c) Noncompliance noted	None
3) Management letter comment provided	None

Federal Awards

4) Internal control over major programs	
a) Material weaknesses identified	None
b) Significant deficiency identified not considered to be material weaknesses	Yes
5) Type of auditor's report issued on compliance for major program	Unqualified
6) Audit findings disclosed that are required in accordance with OMB A-133, Section 510a	Yes
7) Identification of major programs	
84.010 - Title I - Grants to Local Educational Agencies	
84.389 - Title I - Grants to Local Educational Agencies, Recovery Act	
83.391 - Special Education Grants to States (IDEA Part B), Recovery Act	
84.394 - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	
8) Dollar threshold used to distinguish between Type A and B programs	\$300,000
9) Auditee qualified as a low-risk auditee under OMB A-133, Section 530	No

MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2010

---

**B. Findings Related to the Financial Statements**

None.

**C. Findings and Questioned Costs Related to Major Federal Awards Programs**

**2010 - 1 Allowable Costs - Employee Certifications (CFDA 84.010 and 84.391)**

*Criteria:* Office of Management and Budget Circular A-87, Attachment B, paragraph 8 requires employees who work solely or on multiple cost objectives to furnish certification that he/she has worked on that program for the period covered by the certification.

*Condition:* During our testing, we noted that no certifications had been prepared for work performed under the CFDA's listed above.

*Cause:* The condition noted above appears to be caused by management oversight.

*Recommendation:* We recommend the School institute procedures to ensure that all employees working under the Title I and IDEA Part B grants sign certification forms.

*Management's Response:* The School will review the contents of OMB Circular A-87 and make the changes necessary to comply with the requirements.

**MILLER-MCCOY ACADEMY FOR MATHEMATICS AND BUSINESS  
NEW ORLEANS, LOUISIANA  
Schedule of Prior Year Findings and Responses  
For the Year Ended June 30, 2010**

---

**Findings Related to the Financial Statements**

**2009 - 1 Controls over Employee Files**

*Status:* This condition has been resolved. Management updated all employee files to contain the proper elements.

**2009 - 2 Controls over Disbursements**

*Status:* This condition has been resolved. Management instituted additional procedures to ensure proper control over disbursements.

**2009 - 3 Segregation of Duties**

*Status:* This condition has been resolved. Management utilized additional office staff to ensure proper segregation of duties.

**2009 - 4 Inadequate Record Keeping for Enrollment**

*Status:* This condition has been resolved. Management took the necessary steps to ensure adequate and proper record keeping.