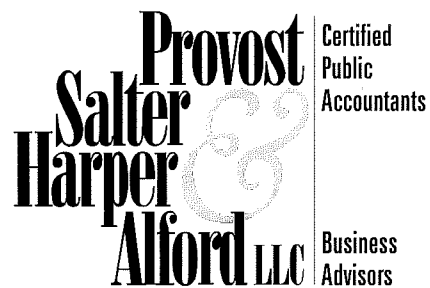


**STATE OF LOUISIANA,
DEPARTMENT OF EDUCATION**

AGREED-UPON PROCEDURES

May 15, 2014



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STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

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Certified
Public
Accountants

Business
Advisors

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Division of Education Finance
State of Louisiana, Department of Education

We have performed the procedures enumerated below, which were agreed to by State of Louisiana, Department of Education Division of Education Finance, solely to assist you in monitoring the schools listed in the table of contents compliance with the "Student Scholarships for Excellence Program" as of May 15, 2014. State of Louisiana, Department of Education Division of Education Finance's management is responsible for the "Student Scholarships for Excellence Program" in accordance with Louisiana Revised Statutes 17:4011 through 17:4025. This agreed-upon-procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this 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 are as follows; and our findings and observations are noted in the attached schedule of findings and observations.

I. Tuition and Fees for Scholarship Students

Verify that tuition and fees received through the scholarship program do not exceed tuition and fees charged to enrolled students not participating in the program.

Obtain a copy of the tuition and fee schedule provided to all parents of students enrolled in the school.

We obtained copy of the tuition and fee schedule provided to all parents of students enrolled in the school.

After the first payment, compare the tuition and fees charged to the program for each participating student to the tuition and fees charged to enrolled students not participating in the program and verify the scholarship tuition and fees do not exceed the tuition and fees charged to enrolled students not participating in the

program. Examine 1 non scholarship student at each tuition level with a minimum of 5 students.

After the first payment, we compared the tuition and fees charged to the program for each participating student in our sample to the tuition and fees charged to enrolled students not participating in the program and verified that the scholarship tuition and fees did not exceed the tuition and fees charged to enrolled students not participating in the program and noted findings, if any, in the schedule of findings.

II. Use of Funds

A. Verify that scholarship program funds were managed using adequate accounting controls

We obtained a completed internal control questionnaire and noted our observations in the schedule of findings.

B. Verify that expenditures are for educational purposes

1. After the third payment and from the schedule of scholarship expenditures, select **5 payroll and 5 non payroll scholarship expenditures** to verify that the transaction occurred, that there is supporting documentation on file to substantiate the expenditure, and that the expenditure ties back to the support. **Document variances and observations.**

We reviewed the payroll and/or check registers for the 2013-2014 school year. If any program funds were used to pay salaries we selected 5 payroll expenditures and if program funds were used to pay non-payroll scholarship expenses we selected 5 non-payroll scholarship expenses. We traced the payments of payroll and benefits to contracts, and/or salary scales based on years of service and degree level. We traced non-payroll expense to the supporting invoices.

2. Obtain the schedule of expenditures to date for scholarship funds (report generated from accounting system, check register, etc.).

We obtained or reviewed at the schools facilities a schedule of expenditures to date for scholarship funds.

3. If there were any scholarship payments for salaries or benefits, obtain a complete list of employees, their title, salary and benefits paid, and job description for the current school year, prior school year and percentages charged to the scholarship program.

If there were any scholarship payments for salaries or benefits, we obtained or reviewed at the school's facilities a complete list of employees, their title, salary and benefits paid, and job description for the current school year, prior school year and percentages charged to the scholarship program.

4. Using the sample from procedure 1 above, review the expenditure report and job descriptions to identify any expenditures not for educational purposes (Booster Employee Salaries and Benefits, etc). **Document** any identified non-educational expenditures on the **attached form**.

We examined the expenses selected in Procedure II B1 to determine that they were for educational purposes. Variances, if any, are noted on the schedule of findings.

C. Verify that expenditures do not constitute gross irresponsibility and are not individually enriching.

- 1a. Obtain the budget and actual expenditures as of January 31 (scholarship only)

We obtained the budget and actual expenditures as of January 31st for the scholarship program.

- 1b. Review the budget and note if expenditures to date are less than 50%. **Note any variances.**

We reviewed the budget and noted if expenditures to date are less than 50%. Variances, if any, are noted on the schedule of findings.

- 1c. Review the Reserved budget category and note the percent of reserved in comparison to the total scholarship budget. **Note any explanations for the reserved balance.**

We reviewed the reserved budget category and noted the percent of reserved in comparison to the total scholarship budget and noted explanations for the reserved balance.

2. If test II(B)(3) is applicable, review if salaries for key personnel have increased at a rate greater than double the rate of scholarship student growth. If so, **document** that percentage of growth and explanations for salary growth.

We reviewed if salaries for key personnel have increased at a rate greater than double the rate of scholarship student growth. If any were noted they are documented in the schedule of findings.

III. Payment Verification

Verify that the payments the school has received are accurate.

Using a sample of new incoming scholarship students, verify that each student was enrolled in (including residence verification to enrollment documents and parish code) and actively attending the school on or before each of the first three count dates for which tuition and fees are claimed. Count dates are September 11, 2013, December 4, 2013, and February 5, 2014, with the final count date on May 7, 2014. Active attendance shall be defined as no more than 10 absences within two weeks before and after the count date. If the new incoming student scholarship enrollment is 10 or less, examine 5 new students or all new students if less than 5; if there are more than 10, select a random sample of 10% of the new students or a minimum of 5 students, whichever is greater. Document any variances or observations.

We selected a sample of new incoming scholarship students to verify that each student was enrolled in (including residence verification to enrollment documents and parish code) and actively attending the school on or before each of the first three count dates of September 11, 2013, December 4, 2013, and February 5, 2014, for which tuition and fees are claimed and noted findings, if any, in the schedule of findings. If the number of scholarship eligible students in a participating school, as identified on the 1st Quarter roster, was 10 or less, we examined 5 students or all if less than 5; if there are more than ten, we selected a random sample of 10% of the students or a minimum of 5 students, whichever is greater. Findings, if any, are noted in the schedule of findings.

IV. Income Eligibility

Verify that the school did examine and maintain income eligibility documentation to support a student's qualification for the program and therefore may receive payments for tuition and fees on behalf of a student

Using the sample as in Procedure III, verify that each student met the income eligibility requirements. Review the income eligibility supporting documentation to ensure that the family income is not greater than 250% of the current federal poverty guidelines. If the number of scholarship eligible students in a participating school, as identified on the 1st Quarter roster, is 10 or less, examine 5 students or all if less than 5; if there are more than ten, select a random **sample of 10% of the students or a minimum of 5 students, whichever is greater. Document variances or observations.**

We used the same sample as in Procedure III to verify that each student met the income eligibility requirements. We reviewed the income eligibility supporting documentation to ensure that the family income is not greater than 250% of the current federal poverty guidelines.

V. **Special Education Tuition**

Verify the school is actually providing the services for which tuition was charged.

Obtain the list of students for which special education tuition is being paid.

We obtained the list of students for which special education tuition is being paid.

After the third payment verify that the participating school is providing special education services to each eligible student for which special education tuitions is paid. This is verified by reviewing the log of services that identifies the student receiving the services, the date services are rendered, the services rendered, and the name of the provider. If the number of scholarship-eligible students identified as receiving special education services from the participating school in which they are enrolled is **only 1, select that one student** as a sample item. Otherwise, test a **minimum of 2 students or 10% of the special education population receiving scholarship funding, whichever is greater. Document any variances or observations.**

After the third payment, we verified that the participating school is providing special education services to each eligible student for which special education tuition is paid. We reviewed the log of services that identifies the student receiving the services, the date services were rendered, the services rendered, and the name of the provider. We selected a sample of scholarship-eligible students identified as receiving special education services from the participating school as outline above. We documented any variances or observations in the schedule of findings.

We are not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion, on compliance with the “Student Scholarships for Educational Excellence Program”. 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 information and use of the State of Louisiana, Department of Education Division of Education Finance, and the Louisiana Legislature, 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.

PROVOST, SALTER, HARPER & ALFORD, LLC

Provost, Salter, Harper & Alford, LLC

May 15, 2014

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations

May 15, 2014

ANGLES ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observations

- In our sample of 5, 2 non scholarship students are the children of an unpaid custodian. The children are allowed to go to school in lieu of payment for the services provided by the parent. The agreement is verbal and the school could not provide any documentation regarding it.
- In our sample of 5, 1 non scholarship student made no payments on the outstanding balance owed for tuition and fees. The school stated that the parent historically pays for all tuition and fees when they receive their tax refund in the spring every year.

Finding

- In our sample of 5, 1 non scholarship student made no payments on the outstanding balance owed for tuition and fees. The school provided no explanation of the lack of payment.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures?
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
 - Mitigating controls are in place.
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

1a. No findings or observations noted.

1b. *Observation*

- The expenditures through January 31, 2014 equaled 42% of the budget.

1c. No findings or observations noted.

2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ANNUNCIATION SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. *Observation*
 - The school has a budget for a 0.1% reserve category that is used for contingencies.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations

May 15, 2014

ASCENSION CHRISTIAN HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have an up-to-date policy and procedure manual governing all functions that provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done? Obtain a copy for review.
- Are training opportunities provided to finance and accounting staff to ensure all employees are competent to perform work assigned?
- Is management knowledgeable of and do procedures provide for meeting the requirement to submit the budget to the Louisiana Department of Education?
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Does the school have a written policy for recording and processing expenditures and payables?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ASCENSION CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have an up-to-date policy and procedure manual governing all functions that provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done? Obtain a copy for review.
- Are training opportunities provided to finance and accounting staff to ensure all employees are competent to perform work assigned?
- Is management knowledgeable of and do procedures provide for meeting the requirement to submit the budget to the Louisiana Department of Education?
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Does the school have a written policy for recording and processing expenditures and payables?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted.

2. *Observation*

- The two salaries tested for enrichment increased by 28% and 0%. The population of scholarship students decreased by 55%. The employee selected with a 28% pay increase was promoted to a higher position in the current year.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations

May 15, 2014

ASCENSION DIOCESAN REGIONAL HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ASCENSION OF OUR LORD SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures?
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?

-The school answered “N/A” to the following question:

- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?

-The school answered “Yes/No” to the following question, but we have noted the following:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures?
 - Scholarship expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. *Observation*

- The school has budget for a 6% reserve category that is used for unexpected expenditures.

2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

AUNTIE B. PRESCHOOL AND KINDERGARTEN

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school only has scholarship students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have documented up-to-date policy and procedure manual governing all functions that provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done?
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
- Are two signatures required on checks?
- Are invoices and supporting documents furnished to the signer prior to signing the check?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
- Are procedures provided for immediate notification to banks when check signers leave the unit or are otherwise no longer authorized to sign?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?
- Does the school have a written policy for recording and processing expenditures and payables?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. *Observation*

- The school provided \$1,525 of the \$9,260 of expenditures listed on the budget as of December 31, 2013. We selected our sample of 5 non payroll expenditures from the \$1,525 of expenses provided.

2. No findings or observations noted.

3. No findings or observations noted.

4. *Finding*

- In our sample of 5, 1 non payroll expense was not for an educational purpose.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school indicated a December 31, 2013 as of date instead of January 31, 2014 on the budget submitted.

1b. *Observation*

- The school presented expenditures through December 31, 2013 instead of January 31, 2014 that equaled 40% of the budget.

1c. No findings or observations noted.

2. Procedure not applicable - the school's first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

Additional Observations

- The school has received payment for one student in the third quarter who did not appear on the school's roster.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

BISHOP MCMANUS ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school provided the payment history for the selected students and the amounts agreed to the tuition and fees provided. However, the school did not provide proof of payment when requested for the selected students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted

2. *Observation*

- The two salaries tested for enrichment increased by 8% and 4%. The population of scholarship students decreased by 18%.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

CEDARWOOD SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Finding

- In our sample of 6, 5 non scholarship students were not charged the \$195 testing fee. The tuition and fees schedule states the testing fee is charged (if applicable). This fee is charged on a case by case basis and is not charged to all students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have an up-to-date policy and procedure manual governing all functions that provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done? Obtain a copy for review.
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures?
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?

-The school answered “Yes/No” to the following question, but we have noted the following:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures?
 - Scholarship expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted
2. Procedure not applicable - the school's first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

CONQUERING WORD CHRISTIAN ACADEMY – EASTBANK

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The tuition and fees requested by the school totaled \$8,575 for Kindergarten and 8th grades, \$8,325 for 1st through 7th and 9th through 11th grades, and \$8,925 for 12th grade. The total of tuition and fees, per the schedule provided by the school, was \$6,615 for all grades, which is equal to the amount approved by the LDOE. All students tested paid the amount of \$6,615. The principal stated that the school reduced the tuition to equal the amount paid by the LDOE so that all students would be at the same rate.
- The school provided statement for the students in our sample indicating that payments were being made on the students account. However, the system's documentation was not sufficient for us to determine that the specified student's payment was included in the amount deposited.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

- No findings or observations noted.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. Observation

- The school has budgeted for current tuition less prior year unallowable expenditures that are being deducted from this year's payments in the amount of \$20,425.
- The school indicated a February 28, 2014 as of date instead of January 31, 2014 on the budget submitted.

1b. Observation

- We noted that scholarship expenses thru February 28, 2013 were 49.81% of the budgeted amount.

1c. No findings or observations noted.

2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

CONQUERING WORD CHRISTIAN ACADEMY – WESTBANK

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The tuition and fees requested by the school totaled \$8,575 for Kindergarten and 8th grades, \$8,325 for 1st through 7th and 9th through 11th grades, and \$8,925 for 12th grade. The total of tuition and fees, per the schedule provided by the school, was \$6,615 for all grades, which is equal to the amount approved by the LDOE. All students tested paid the amount of \$6,615. The principal stated that the school reduced the tuition to equal the amount paid by the LDOE so that all students would be at the same rate.
- The school provided statement for the students in our sample indicating that payments were being made on the students account. However, the system's documentation was not sufficient for us to determine that the specified student's payment was included in the amount deposited.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

- No findings or observations noted.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. *Observation*

- In our sample of 4, 1 salary selected did not agree to the amount being paid to the teacher. When comparing the annual salary to the payments we determined that the teacher is receiving less per pay period than contracted for.
2. No findings or observations noted.
 3. No findings or observations noted.
 4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school has budgeted for current tuition less prior year unallowable expenditures that are being deducted from this year's payments in the amount of \$17,575.
 - The school indicated a February 28, 2014 as of date instead of January 31, 2014 on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

COUNTRY DAY SCHOOL OF BATON ROUGE

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have an up-to-date policy and procedure manual governing all functions that provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done? Obtain a copy for review.
- Are two signatures required on checks?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
- Does the school have a written policy for recording and processing expenditures and payables?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. *Observation*

- The expenditures equaled 16% of the budget. The school has a small population of scholarship students and stated that they have not used very much of the funds because they were unaware of what expenses are allowable. Administration stated that they would use the funds for salaries going forward and all funds will be used before the fiscal year end.

1c. No finding or observation noted

2. Procedure not applicable - the school’s first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ECOLE BILINGUE DE LA NOUVELLE – ORLEANS

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school indicated a February 28, 2014 as of date instead of January 31, 2014 on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted

2. *Observation*

- The salary tested for enrichment increased by 7%. The population of scholarship students decreased by 14%.

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

GARDERE COMMUNITY CHRISTIAN

Procedure I – Tuition and Fees for Scholarship Students

Observation

- In our sample of 5, all students received tuition assistance for 92% or more of the total tuition and fees. The school only charges a portion of the tuition to the non-scholarship parents based on their income. They must pay the designated portion monthly and contribute service hours to the school. The school is mainly funded through grants and private donations.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

-The school answered “Yes/No” to the following questions:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

GOOD SHEPHERD NATIVITY MISSION

Procedure I – Tuition and Fees for Scholarship Students

Observation

- Students at this school pay a \$125 activity fee only. Other than the activity fee, the school is supported by donations and scholarship funds.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
 - Mitigating controls are in place.
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

GREATER BATON ROUGE HOPE ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

-The school answered “N/A” to the following questions:

- Are training opportunities provided to finance and accounting staff to ensure all employees are competent to perform work assigned?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

Observation

- All students in this school have special education exceptionalities and receive special education services. Because there is no tuition variation, we did not test for the provision of such special education services.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

GREATER MT. OLIVE CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Finding

- The school has been approved for a \$150 book fee for Kindergarten students but has the fee listed as \$125 on the tuition and fees schedule provided by the school.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have a written policy for recording and processing expenditures and payables?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
- Are purchases of goods and services initiated by properly authorized requisitions bearing the approval of officials designated to authorize requisitions?
- Are payments made only on the basis of original invoices?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.

2. *Observation*

- The salary tested for enrichment increased by 1%. The population of scholarship students decreased by 21%.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

HOLY FAMILY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted
 2. No findings or observations noted.

Procedure III – Payment Verification

Observation

- In our sample of 5, 3 students are being reimbursed as Iberville Parish residents however, their residency documents state that they live in West Baton Rouge Parish.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

HOLY GHOST ELEMENTARY SCHOOL – NEW ORLEANS

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

HOLY GHOST SCHOOL - HAMMOND

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No finding or observation noted.

1c. *Observation*

- The school has budgeted for a 1% reserve. The reserve amount is for payments on their building loan.

2. No finding or observation noted.

Procedure III – Payment Verification

Observation

- In our sample of 5, 2 students are being reimbursed Tangipahoa Parish residents however, their residency documents state that they live in St. Tammany Parish.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

HOLY ROSARY ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Observation*
 - The school included salaries and benefits for development personnel in their budgeted and actual expenditures. If the school did not include the development expenses, the remaining allocable expense categories would still exceed the amount of funds expected to be received from the state.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted
2. *Observation*
 - One salary tested for enrichment increased by 17%. The population of scholarship students decreased by 18% and one employee was newly hired so comparative salary information was not available. Key personnel are responsible for both Holy Rosary Academy and Holy Rosary High School which are evaluated separately.

Procedure III – Payment Verification

Observation

- In our sample of 5, 2 students are being reimbursed Orleans Parish residents however, their residency documents state that they live in Jefferson Parish.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

HOLY ROSARY HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The approved tuition and fees schedule has a \$30 parent organization fee that is actually included in the \$700 student services fee. The approved tuition and fees schedule is \$30 higher than actual tuition and fees. However, the school's tuition is in excess of the maximum per pupil allowed so quarterly payments will not be affected.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered "No" to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Observation*
 - The school included salaries and benefits for development personnel in their budgeted and actual expenditures. If the school did not include the development expenses, the remaining allocable expense categories would still exceed the amount of funds expected to be received from the state.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted
2. *Observation*
 - Procedure not applicable – the school's first year to participate in the program. Key personnel are responsible for both Holy Rosary Academy and Holy Rosary High School which are evaluated separately.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

HOSANNA CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school has been approved for a \$150 testing fee for 10th grade and 12th grade and \$125 testing fee for 9th grade. According to the tuition and fees schedule, 9th and 12th grade testing fee is \$100 and 10th grade is \$125. However, the schools' tuition increase was in excess of the percent allowed by the state, so quarterly payments will not be affected.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
- Are payments made only on the basis of original invoices?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

-The school answered “Yes/No” to the following questions:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

Finding

- In our sample of 26, 1 student had 10 absences within two weeks before or after the February 5th count date.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

JEHOVAH-JIREH CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- We were unable to test graduation and field trip fees because they had not been assessed at the time of our visit.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

LIFE OF CHRIST CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- In our sample of 5, 1 student has not paid any tuition or fees. The school stated that he was no longer a student as of November 22, 2013 due to lack of payment.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school have an up-to-date policy and procedure manual governing all functions that provides a clear understanding of what should be done, how it should be done, who should do it, and when it should be done? Obtain a copy for review.
- Are training opportunities provided to finance and accounting staff to ensure all employees are competent to perform work assigned?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
- Are procedures provided for immediate notification to banks when check signers leave the unit or are otherwise no longer authorized to sign?
- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?
- Does the school have a written policy for recording and processing expenditures and payables?
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
- Do records and controls exist for timekeeping and attendance?

-The school answered “N/A” to the following questions:

- Are two signatures required on checks?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
- Are purchases of goods and services initiated by properly authorized requisitions bearing the approval of officials designated to authorize requisitions?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. Observation

- In our sample of 5, 1 non-payroll expenses was not accompanied with supporting documentation, therefore, we did not view the invoice for the expense selected. However, we were able to verify transactions and view invoices for more recent expenses from the same vendor.

Finding

- In our sample of 5, 1 non-payroll expenses was not accompanied with supporting documentation.
2. No findings or observations noted.
 3. No findings or observations noted.
 4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. Observation

- The school indicated a February 28, 2014 as of date instead of January 31, 2014 on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted

2. Observation

- One salary tested for enrichment increased by 1%. The population of scholarship students decreased by 31%.

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

LIGHT CITY CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- We were unable to test the minimum of five non-scholarship students as outlined by the agreed upon procedures step. The school stated that they only had three non-scholarship students in the school so we could only perform test on the three students.
- We were unable to test the capital improvements fee because it had not been assessed at the time of our visit.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

LOUISIANA NEW SCHOOL ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- In our sample of 5, 1 non scholarship student has not paid any tuition or fees. The school stated that they have requested that the state include them in the scholarship program since the student's sibling is a Student Scholarship for Educational Excellence Program recipient.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are training opportunities provided to finance and accounting staff to ensure all employees are competent to perform work assigned?
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. *Observation*

- The expenditures equaled 49% of the budget.

1c. No findings or observations noted

2. No findings or observations noted.

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

MATER DELOROSA SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school has been approved by the LDOE for a \$25 yearbook fee that is not a required purchase for non-scholarship students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted
 2. No findings or observations noted.

Procedure III – Payment Verification

Observation

- In our sample of 5, 1 student is being reimbursed as an Orleans Parish resident however; the residency documents stated that they live in Tangipahoa Parish.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

MCMILLIAN'S FIRST STEPS

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school only has scholarship students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are signed checks inaccessible to persons who requested, prepared, or recorded them?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. No findings or observations noted.

1b. *Observation*

- The expenditures through January 31, 2014 equaled 45% of the budget.

1c. No findings or observations noted

2. Procedure not applicable - the school's first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

MOST BLESSED SACRAMENT

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are purchases of goods and services initiated by properly authorized requisitions bearing the approval of officials designated to authorize requisitions?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted
 - 1c. No findings or observations noted
 2. Procedure not applicable - the school’s first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

NEW ORLEANS ADVENTIST ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Finding

- The school has been approved for fees of \$380 for Kindergarten, \$415 for first through fifth grades and \$560 for Sixth through Eighth grades. The school has provided proof of fees in the amount of \$350 for Kindergarten through fourth grade and \$510 for fifth through eighth grade. Kindergarteners are overpaid by \$30 per child. First through Fourth graders are overpaid by \$65 per child. Sixth through eighth grades are overpaid by \$50 per child.

Observation

- The school has been approved for fees of \$415 for fifth grade students. The school has provided proof of fees in the amount of \$510 for fifth graders. Fifth graders are underpaid by \$95 per child.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Does the school have a written policy for recording and processing expenditures and payables?
- Are payments made only on the basis of original invoices?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?

-The school answered “N/A” to the following questions:

- Is management knowledgeable of and do procedures provide for meeting the requirement to submit the budget to the Louisiana Department of Education?
- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship revenues and expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. *Observation*
 - This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 27%.

Procedure III – Payment Verification

Finding

- In our sample of 5, 1 student's residency documentation was not provided.

Procedure IV – Income Eligibility

Finding

- In our sample of 5, 1 student's income documentation was not provided. This is the same student as stated above for not providing residency documentation.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

NORTHLAKE CHRISTIAN ELEMENTARY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

NORTHLAKE CHRISTIAN HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- We were unable to test graduation fee because it had not been assessed at the time of our visit.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

OUR LADY OF GRACE SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following question:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. No findings or observations noted.

1b. *Observation*

- The expenditures through January 31, 2014 equaled 48% of the budget.

1c. No findings or observations noted

2. *Observation*

- This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students decreased by 4%.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

OUR LADY OF MERCY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school indicated a February 28, 2014 as of date instead of January 31, 2014 on the budget submitted.

1b. *Observation*

- The expenditures through February 28, 2014 equaled 42% of the budget.

1c. No findings or observations noted

2. No findings or observations noted

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

REDEMPTORIST DIOCESAN REGIONAL HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

Finding

- In our sample of 5, 1 student’s residency documentation was not provided.

Procedure IV – Income Eligibility

Finding

- In our sample of 5, 1 student’s income documentation was not provided. This is the same student as stated above for missing the residency documentation.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

REDEMPTORIST DIOCESAN REGIONAL JUNIOR HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

REDEMPTORIST ELEMENTARY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are all reconciliations and investigations of unusual reconciling items reviewed and approved by an official who is not responsible for receipts and disbursements, including recording evidence of the review and approval by signing the reconciliation? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

Observation

- One student has been moved from special education to the regular classroom as of December 3, 2013.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

RESURRECTION OF OUR LORD SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- In our sample of 5, 1 non scholarship student has been assessed but has not paid any tuition and fees and is attending the school. The school stated that there is an ongoing and unresolved issue from the prior school year between the parent and school. The school stated that the issue would be resolved and tuition would be paid before the school year ended.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted
- 1c. No findings or observations noted

2. *Observation*

- In our sample of 2, 1 employee’s salary tested for enrichment increased at rate higher than the enrollment increase. The salary increase by 47% and the enrollment of scholarship students increased by 32%. The employee selected was promoted to a higher position in the current year.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

Finding

- In our sample of 14, 1 student did not provide an approved form of income documentation.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

RIVERDALE CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship revenues and expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Does the school have a written policy for recording and processing expenditures and payables?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

2. *Observation*

- This is the first year of employment for two employees selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 181%.

Procedure III – Payment Verification

Finding

- In our sample of 5, 1 student’s residency documentation was not provided.

Procedure IV – Income Eligibility

Finding

- In our sample of 5, 1 student’s income documentation was not provided. This is the same student as stated above for missing the residency documentation.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

RIVERSIDE ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school has been approved for a registration fee of \$200 for seventh grade. According to the tuition and fees schedule, the registration fee is \$250 for all grade levels.

Finding

- The school is being reimbursed for a book fee for tenth grade of \$11. The tuition and fee schedule does not list this as a fee charged to tenth grade students and in our sample the book fee was not charged to non-scholarship student in tenth grade.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

-The school answered “Yes/No” to the following questions:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted
2. Procedure not applicable - the school's first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. ALPHONSUS – BATON ROUGE

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. ALPHONSUS SCHOOL – NEW ORLEANS

Procedure I – Tuition and Fees for Scholarship Students

Observation

- In our sample of 5, all non scholarship students received tuition assistance from other sources.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Finding*

- In our sample of 5, 1 non payroll expense was not for an educational purpose. The expense was for gift cards to give to employees as a Thanksgiving bonus.

Procedure II C – Use of Funds – Enriching

1a. No findings or observations noted

1b. *Observation*

- The expenditures equaled 49.68% of the budget.

1c. No findings or observations noted

2. *Observation*

- This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 7%.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. ANDREW THE APOSTLE SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following question:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. No findings or observations noted.

1b. *Observation*

- The expenditures through January 31, 2014 equaled 46% of the budget. The school stated that this is due to only paying five and half months of twelve months salaries.

1c. No findings or observations noted

2. *Observation*

- The two salaries tested for enrichment increased by 6% and 13%. The population of scholarship students decreased by 14%.

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. AUGUSTINE HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. No findings or observations noted.

1b. *Observation*

- The expenditures through January 31, 2014 equaled 49% of the budget.

1c. No findings or observations noted

2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. BENEDICT THE MOOR SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school operates on donations alone. The cost per child to operate per the tuition schedule provided is \$8,412.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are two signatures required on checks?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
 - Due to size
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
 - Due to size

-The school answered “Yes” to the following question, but we have noted the following:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - The school had opened a separate checking account for scholarship funds at the time of our visit but had not yet began receiving or expensing any funds through this account.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Observation*
 - The school stated they included development salaries and before/after care expenses in their budgeted and actual expenditures. Based on the total expenses to date through January 31, 2014, excluding development cost, the total expenditures that could be allocated to the program based on the ratio of scholarship students to the total population exceeds the reimbursement received from the state. The actual expenditures allocated would be approximately \$279,820 or 60% of budget to date.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

1a. Observation

- The schools actual expenses are estimated and not based an allocation of the actual expenses thru January 31, 2014.

1b. Observation

- The expenditures through January 31, 2014 equaled 44% of the budget.

1c. No findings or observations noted

2. No findings or observations noted

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. CHARLES CATHOLIC HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following question:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. DOMINIC SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- We were unable to test the enrichment fees because they are charged later in the school year.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. FRANCIS XAVIER SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- In our sample of 5, 1 student was charged a lower tuition rate than listed on the tuition and fees schedule. Students in fifth through eighth grades are charge tuition of \$3,800. The student selected was charged \$3,600 or the Kindergarten through fourth grade tuition rate. We examined an additional 15 students from fifth to eighth grades noting that 2 additional students paid the reduced rate. The school was unaware of these data input errors and intends to contact the parents to receive the additional \$200 that they should have been charged.
- We were unable to test the \$150 graduation fee because it is charge later in the school year.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JEAN VIANNEY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The activity fee of \$100 is an estimate of field trips, spirit shirts, and activities that occur throughout the year. We were unable to verify this amount because all fees have not occurred.
- The school has been approved by the LDOE for a \$40 yearbook fee that is not a required purchase for non-scholarship students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
 - Finance committee reviews quarterly
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not are there other mitigating controls in place?
 - Principal & finance committee reviews

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. Procedure not applicable - the school’s first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JOAN OF ARC SCHOOL - LAPLACE

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school is being reimbursed for a supply fee for first grade of \$61 and second grade of \$49 that is charged in the summer. These fees were not assessed during the periods we tested therefore; we were unable to verify the payment of these fees.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?
 - Inaccessible to requester
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
- Are purchases of goods and services initiated by properly authorized requisitions bearing the approval of officials designated to authorize requisitions?
- Are responsibilities for the payroll processing function segregated from the general ledger function and the HR functions? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. *Observation*

- The expenditures equaled 46% of the budget. The school stated that this is mainly due to paying teachers' salaries from September until August.

1c. No findings or observations noted

2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JOAN OF ARC SCHOOL – NEW ORLEANS

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

- No findings or observations noted.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. Observation

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JOHN ELEMENTARY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Finding

- The school is being reimbursed for a \$35 supply fee for 6th grade students that are not charged to 6th grade non-scholarship students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
 - The High School principal reviews statement & signs off on bank statements
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
 - The High School principal reviews statement & signs off on bank statements
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
 - The High School principal reviews statement & signs off on bank statements.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JOHN HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are bank reconciliations performed by someone independent of receiving cash or processing and recording of transactions? If not, are there other mitigating controls in place?
 - The High School principal reviews statement & signs off on bank statements
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
 - The High School principal reviews statement & signs off on bank statements
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?
 - The High School principal reviews statement & signs off on bank statements.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Finding*
 - In our sample of 5, 1 non payroll expense was not for an educational purpose. The expense was for church concert ticket to give to employees as a Christmas bonus.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JOHN LUTHERAN SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are signed checks inaccessible to persons who requested, prepared, or recorded them?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. JOSEPH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted

2. *Observation*

- The two salaries tested for enrichment increased by 2% and 3%. The population of scholarship students has not changed.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. KATHARINE DREXEL SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

- No findings or observations noted.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. Observation

- The school did not indicate the as of date on the budget submitted.
- The school has indicated that the budget and actual expenditures for salaries, benefits, supplies and materials have been expensed 100% as of the date of the budget submission. Our understanding is that this is because the budgeted expenditures for those categories are the actual expenses as of the time of submission. After discussion with the schools bookkeeping staff, we understand that, the budgeted reserve are the funds that have not yet been expensed as of the time of submission, although the school shows the actual reserve expense at 100%. Per management reserved funds will be used primarily for salaries and benefits.

1b. No finding or observation noted.

1c. Observation

- The school has budgeted for a 42% reserve.
2. Procedure not applicable - the school's first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. LEO THE GREAT SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following question:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. LOUIS KING OF FRANCE SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. *Observation*

- The expenditures equaled 49% of the budget. The school stated that they have budgeted for some repairs that have not yet taken place.

1c. *Observation*

- The school has budgeted for a 7% reserve. The school stated that they planned to use the reserved category for unforeseen expenditures.
2. No finding or observation noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. MARGARET MARY SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. MARY'S ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following question:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted
 - 1c. No findings or observations noted
 2. No findings or observations noted

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

Finding

- In our sample of 16, 1 student did not provide an approved form of income documentation.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. MICHAEL THE ARCHANGEL DIOCESAN REGIONAL HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- All scholarship students (new and returning) are being charged a \$450 registration fee. When testing the non-scholarship students we noted that \$450 in registration fees was charged to new students and \$350 was charged to returning students. However, there will be no effect on reimbursements as the tuition increased at more than 5% over last year and the school receives \$277 less than fees requested.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following question:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

-The school answered “N/A” to the following question:

- Do records and controls exist for timekeeping and attendance?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. PAUL LUTHERAN SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are signed checks inaccessible to persons who requested, prepared, or recorded them?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Finding*
 - In our sample of 5, 1 non payroll expense was not for an educational purpose. The expense was for an item to be sold at the school auction. The auction is an annual event to raise funds for the school.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted
2. *Observation*
 - This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 24%.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. PETER CHANEL INTERPAROCHIAL SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The enrichment and fund-raising fees are charged in the spring. We were unable to test these fees because they had not been assessed at the time of our visit.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?
- Are responsibilities for disbursement preparation and disbursement approval functions segregated from those for recording or entering cash disbursements information on the general ledger? If not, are there other mitigating controls in place?
- Are responsibilities for the disbursement approval function segregated from those for the disbursement, voucher preparation, and purchasing functions? If not, are there other mitigating controls in place?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.

2. *Observation*

- The salary tested for enrichment increased by 5%. The population of scholarship students did not change from the prior year.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. PETER CLAVER SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

- No findings or observations noted.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. Observation

- The school indicated a February 27, 2014 as of date instead of January 31, 2014 on the budget submitted.

1b. Observation

- The expenditures through February 27, 2014 equaled 42% of the budget. The school stated that they had not completed their reimbursement from the scholarship to operating accounts at the time the budget was made. If the reimbursements had been complete the expenditures would be much higher.

1c. Observation

- The school has budgeted for a 1% reserve. The school stated that they budgeted the reserved category for unforeseen expenditures.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. PETER SCHOOL – COVINGTON

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The schedule of tuition and fees approved by the state indicates that the school's tuition is \$5,135, however the schools tuition schedule list tuition at \$4,835. The school stated that the additional \$300 was for a \$175 multi payment fee that was listed on the tuition schedule and \$125 for field trips that was not listed. We were not able to test the \$125 for field trips as this was an estimated cost and the field trips had not occurred or been assessed at the time of our visit.

Finding

- The school is being reimbursed for a book fee for second grade of \$75. The fee charged to non-scholarship students is \$67 for second grade students.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures?
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school indicated a March 9, 2014 as of date instead of January 31, 2014 on the budget submitted.

1b. No findings or observations noted

1c. No findings or observations noted

2. *Observation*

- The two salaries tested for enrichment increased by 33% and 11%. The population of scholarship students did not change from the prior year. The two employees selected both took higher positions in the current year.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST PETER SCHOOL – RESERVE

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are training opportunities provided to finance and accounting staff to ensure all employees are competent to perform work assigned?
- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship revenues and expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.

2. Observation

- This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 23%.

Procedure III – Payment Verification

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. RITA SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted.

2. *Observation*

- This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 37%.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. STEPHEN SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. No findings or observations noted.

2. *Observation*

- This is the first year of employment for an employee selected for enrichment testing so there is no comparable data. The population of scholarship students increased by 109%.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. THOMAS AQUINAS DIOCESAN REGIONAL HIGH SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

The school indicated February 28, 2014 as of date instead of January 31, 2014 on the budget submitted.

- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

ST. THOMAS MORE SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. *Observation*
 - The school included aftercare service expenses in their budgeted and actual expenditures. If the school did not include the aftercare service expenses, the remaining allocable expense categories would still exceed the amount of funds expected to be received by the state.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. *Observation*

- The expenditures equaled 45% of the budget. The school stated that this is mainly due to paying teachers’ salaries from September until August.

1c. *Observation*

- The school has budget for a 2% reserve category that is used for payments on their building loan.

2. Procedure not applicable - the school’s first year to participate in the program.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

THE DUNHAM SCHOOL

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

- 1a. No findings or observations noted.
- 1b. No findings or observations noted.
- 1c. No findings or observations noted.
2. No findings or observations noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

TRINITY CHRISTIAN ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

- No findings or observations noted.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Are two signatures required on checks?
- Are signed checks inaccessible to persons who requested, prepared, or recorded them?

-The school answered “N/A” to the following questions:

- Are procedures provided for immediate notification to banks when check signers leave the unit or are otherwise no longer authorized to sign?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No finding or observation noted.

1c. *Observation*

- The school has budgeted for an 11% reserve. The school stated that they planned to use the reserved category for unforeseen expenditures.

2. No finding or observation noted.

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

UPPERROOM BIBLE CHURCH ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school did not allow us to select a sample from the total population of non scholarship students. We were only allowed to select a sample from a limited population of non scholarship students, whose guardian signed a release allowing our review.
- The school provided statements for the students in our sample indicating that payments were being made on the students account. However, the system's documentation was not sufficient for us to determine that the specified student's payment was included in amounts deposited.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered "No" to the following questions:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship revenues and expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.

1b. No findings or observations noted.

1c. *Observation*

- The school has budget for a 3% reserve category that is used for unexpected expenditures.

2. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure III – Payment Verification

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure IV – Income Eligibility

- The school has no new students in the program therefore, the procedure is not applicable.

Procedure V – Special Education Tuition

- Procedure not applicable.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

UPPERROOM BIBLE CHURCH PRESCHOOL & ACADEMY

Procedure I – Tuition and Fees for Scholarship Students

Observation

- The school did not allow us to select a sample from the total population of non scholarship students. We were only allowed to select a sample form a limited population of non scholarship students, whose guardian signed a release allowing our review.
- The school provided statements for the students in our sample indicating that payments were being made on the students account. However, the system’s documentation was not sufficient for us to determine that the specified student’s payment was included in amounts deposited.

Procedure II A – Use of Funds – Verify that scholarship program funds were managed using adequate accounting controls

Observation

-The school answered “No” to the following questions:

- Does the accounting system in place adequately record fiscal transactions and identify revenues and expenditures by source or category, specifically identifying scholarship revenues and expenditures? (as applicable)
 - Scholarship revenues and expenses are not specifically identifiable by source or category, however are separated by using a percentage of scholarship students to the total student population.
- Does the school maintain a separate checking account exclusively for scholarship program revenues and expenditures? (as applicable)
 - Mitigating controls are in place.
- Are two signatures required on checks?

Procedure II B – Use of Funds – Verify that expenditures are for educational purposes

1. No findings or observations noted.
2. No findings or observations noted.
3. No findings or observations noted.
4. No findings or observations noted.

Procedure II C – Use of Funds – Enriching

1a. *Observation*

- The school did not indicate the as of date on the budget submitted.
- 1b. No findings or observations noted.
 - 1c. No findings or observations noted.
 2. No findings or observations noted.

STATE OF LOUISIANA, DEPARTMENT OF EDUCATION

Summary of Findings and Observations, continued

May 15, 2014

Procedure III – Payment Verification

- No findings or observations noted.

Procedure IV – Income Eligibility

- No findings or observations noted.

Procedure V – Special Education Tuition

- Procedure not applicable.