



Financial Report

Hynes Charter School Corporation

June 30, 2020 and 2019

Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Financial Report

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New Orleans, Louisiana

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Hynes Charter School Corporation,
New Orleans, Louisiana.

Report on the Financial Statements

We have audited the accompanying financial statements of Hynes Charter School Corporation (a non-profit organization) which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Hynes Charter School Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no

such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hynes Charter School Corporation as of June 30, 2020, and the changes in its net assets, functional expenses, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

Other auditors have previously audited Hynes Charter School Corporation's 2019 financial statements, and expressed an unmodified audit opinion on those audited financial statements in their report dated September 26, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules (pages 21 - 26) are presented for purposes of additional analysis, and are not a required part of the financial statements. Schedule 1 is required by Louisiana Revised Statute 24:513(a)(3). Such information in the supplemental schedules is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, dated September 28, 2020 on our consideration of Hynes Charter School Corporation's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreement, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hynes Charter School Corporation's internal control over financial reporting and compliance.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
September 28, 2020.

STATEMENT OF FINANCIAL POSITION**Hynes Charter School Corporation**
New Orleans, LouisianaJune 30, 2020
(with comparative totals for 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$ 5,529,847	\$ 4,807,089
Cash restricted for student activities	158,322	66,027
Grants and other receivables	745,557	336,599
Prepaid expenses	93,427	102,847
Inventory	13,165	22,698
Other assets	17,400	10,000
Equipment, net	3,429	6,858
	<u>\$ 6,561,147</u>	<u>\$ 5,352,118</u>
LIABILITIES		
Accounts payable	\$ 279,401	\$ 224,342
Accrued expenses	532,677	694,335
Deferred revenue	104,716	84,712
Loans payable	1,288,418	-
	<u>2,205,212</u>	<u>1,003,389</u>
NET ASSETS		
Without donor restrictions	4,304,864	4,300,548
With donor restrictions	51,071	48,181
	<u>4,355,935</u>	<u>4,348,729</u>
Total liabilities and net assets	<u>\$ 6,561,147</u>	<u>\$ 5,352,118</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES**Hynes Charter School Corporation**
New Orleans, LouisianaFor the year ended June 30, 2020
(with comparative totals for 2019)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020 Totals</u>	<u>2019 Totals Only</u>
Revenues and Other Support				
Grants:				
Federal	\$ 618,145	\$ -	\$ 618,145	\$ 259,025
State	48,668	-	48,668	30,050
Other	379,719	40,000	419,719	333,300
State and local Minimum Foundation Program	8,008,751	-	8,008,751	6,719,732
Donations	17,071	250	17,321	171,657
Student fees	-	312,318	312,318	357,321
Miscellaneous revenue	113,018	14,885	127,903	130,588
Net assets released from restrictions	364,563	(364,563)	-	-
	<u>9,549,935</u>	<u>2,890</u>	<u>9,552,825</u>	<u>8,001,673</u>
Expenses				
Program services	6,679,793	-	6,679,793	5,799,106
Management and general	2,843,738	-	2,843,738	2,248,513
Fundraising	22,088	-	22,088	22,275
	<u>9,545,619</u>	<u>-</u>	<u>9,545,619</u>	<u>8,069,894</u>
Increase (decrease) in net assets	4,316	2,890	7,206	(68,221)
Net Assets				
Beginning of year	<u>4,300,548</u>	<u>48,181</u>	<u>4,348,729</u>	<u>4,416,950</u>
End of year	<u>\$4,304,864</u>	<u>\$ 51,071</u>	<u>\$4,355,935</u>	<u>\$4,348,729</u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES**Hynes Charter School Corporation**
New Orleans, LouisianaFor the year ended June 30, 2020
(with comparative totals for 2019)

	2020			Total Expenses	2019 Totals Only
	Program Services	Management and General	Fundraising		
Administrative fee	\$ 541,469	\$ -	\$ -	\$ 541,469	\$ 440,129
Advertising	-	1,255	-	1,255	3,404
Depreciation	3,155	274	-	3,429	3,429
Disposal services	18,247	1,587	-	19,834	10,168
Dues and fees	31,586	8,024	-	39,610	37,118
Employee benefits and payroll taxes	1,253,707	629,868	5,361	1,888,936	1,594,715
Equipment rental	13,637	6,713	-	20,350	17,584
Food service management	10,725	3,998	-	14,723	12,447
Information technology services	131,980	2,693	-	134,673	127,379
Insurance	135,369	11,771	-	147,140	124,016
Materials and supplies	322,416	145,730	-	468,146	347,024
Miscellaneous expense	1,839	25,310	-	27,149	47,243
Professional development	72,043	10,225	-	82,268	83,904
Professional services	132,427	63,678	-	196,105	223,872
Repairs and maintenance	166,127	14,446	-	180,573	202,037
Salaries and wages	3,461,549	1,879,489	16,727	5,357,765	4,413,237
Telephone and postage	-	1,350	-	1,350	7,435
Textbooks	62,889	-	-	62,889	112,793
Transportation	42,509	-	-	42,509	54,321
Travel	32,381	15,958	-	48,339	33,519
Utilities	245,738	21,369	-	267,107	174,120
	<u>\$6,679,793</u>	<u>\$2,843,738</u>	<u>\$ 22,088</u>	<u>\$9,545,619</u>	<u>\$8,069,894</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS**Hynes Charter School Corporation**
New Orleans, LouisianaFor the year ended June 30, 2020
(with comparative totals for 2019)

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ 7,206	\$ (68,221)
Adjustments to reconcile increase (decrease) in net assets to cash used in operating activities:		
Depreciation	3,429	3,429
(Increase) decrease in assets:		
Grants receivable	(408,958)	(196,814)
Prepaid expenses	9,420	2,335
Inventory	9,533	(22,698)
Other	(7,400)	-
Increase (decrease) in liabilities:		
Accounts payable	55,059	(55,645)
Accrued payroll liabilities	(161,658)	211,777
Deferred revenue	20,004	5,518
	<u>(473,365)</u>	<u>(120,319)</u>
Net cash used in operating activities		
Cash Flows From Financing Activities		
Borrowings of long-term debt	<u>1,288,418</u>	<u>-</u>
Net Increase (Decrease) in Cash	815,053	(120,319)
Cash		
Beginning of year	<u>4,873,116</u>	<u>4,993,435</u>
End of year	<u><u>\$ 5,688,169</u></u>	<u><u>\$ 4,873,116</u></u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Hynes Charter School Corporation
New Orleans, Louisiana

June 30, 2020 and 2019

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization

Hynes Charter School Corporation (the "School") is a charter school organization operating to provide all students with a safe and diverse learning community by empowering them to be proficient readers, writers, and critical thinkers. Effective July 1, 2017, Hynes Charter School Corporation is a Type 1 charter school governed by a board of directors.

The School was granted a five-year charter for the Lakeview Campus by Orleans Parish School Board (OPSB) in 2006. The charter was renewed for an additional six years effective July 1, 2011 and an additional ten years effective July 1, 2017.

The School was granted a five-year charter for the UNO Campus by OPSB in 2019 effective through June 30, 2024, and began principal operations at this location during the year ended June 30, 2020.

b. Basis of Accounting

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America on the accrual basis of accounting. The Financial Accounting Standards Board (FASB) is the accepted standard setting body for establishing not-for-profit accounting and financial reporting principles.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Financial Statement Presentation

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Support, revenue, and expenses for general operations.

Net Assets With Donor Restrictions - Contributions and grants specifically authorized by the donor or grantor to be used for a certain purpose or to benefit a specific accounting period or contributions subject to donor-imposed restrictions and that are to be held in perpetuity by the School.

d. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

e. Cash and Cash Equivalents

The School classifies as cash and cash equivalents all highly liquid debt instruments with an initial maturity of three months or less. As of June 30, 2020 and 2019, there were no cash equivalents.

f. Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. The financial statements do not include an estimate for allowance for doubtful accounts. Management believes that all receivables are fully collectible.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Equipment and Depreciation

Equipment is capitalized at cost and updated for additions and retirements during the year. The net carrying amount is considered the net realizable value. Donated property and equipment is recorded at fair market value as of the date received. The School maintains a capitalization threshold of \$5,000 for equipment. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materiality extend an asset's life are expensed. All reported equipment is depreciated using the straight-line method over three to five years.

h. Inventory

Inventory is carried at the lower of cost or net realizable value and, as of June 30, 2020 and 2019, consisted of textbooks and other teaching materials and supplies.

i. Deferred Revenue

The School obtains payment of a \$95 student activity fee per student and a \$100 French immersion fee, as applicable, at the time of registration of the subsequent year, during the spring of the current year. Revenues from these fees are recognized in the year in which they are earned. Fees collected in the current year that apply to the subsequent year are deferred.

j. Revenue Recognition

Donations received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Revenues from federal and state grants are recorded when the School has a right to reimbursement under the related grant, generally corresponding to the incurring of grant related costs by the School, or when earned under the terms of the grants.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Revenue Recognition (Continued)

The School's primary source of funding is through the Minimum Foundation Program (MFP) funded by the State Public School Fund and OPSB. For the years ended June 30, 2020 and 2019, the School received \$3,069,855 and \$2,497,341, respectively, from the state and \$4,748,937 and \$4,136,384, respectively, from OPSB, in addition to \$189,959 and \$86,007 received during the years ended June 30, 2020 and 2019, respectively, which related to prior years. MFP revenue accounts for 84% and 83% of the School's total revenue for the years ended June 30, 2020 and 2019, respectively.

k. Functional Allocation of Expenses

As required under the FASB Accounting Standards Update (ASU) No. 2016-14, "*Not-for-Profit Entities*" (Topic 958), the School has presented a statement of functional expense as part of its audited financial statements. The financial statements of the School report certain categories of expenses that are attributable to more than one program or supporting function. The majority of expenses are allocated based on actual time and effort. However, insurance, repairs and maintenance, disposal services, utilities, and depreciation require allocation based on the square footage of the school campus. Information technology services are allocated based on a count of all computer equipment.

l. Tax Matters

The School has received a tax-exempt ruling under section 501(c)(3) from the Internal Revenue Service and, accordingly, is not subject to Federal income tax unless the School has unrelated trade or business income.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of June 30, 2020, management of the School believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years ended June 30, 2017 and later remain subject to examination by the taxing authorities.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Recently Issued Accounting Standards

Statement of Cash Flows

In November 2016, the FASB issued ASU No. 2016-18, "*Statement of Cash Flows*" (Topic 230). ASU No. 2016-18 requires that a statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the Statement of Cash Flows. The amendments in the ASU No. 2016-18 do not provide a definition of restricted cash or restricted cash equivalents. The ASU is effective for fiscal years beginning after December 15, 2018. The School has adopted the provisions of ASU No. 2016-18 and has retrospectively applied this standard to the financial statements as of and for the year ended June 30, 2019.

Contributions Received and Made

In June 2018, the FASB issued ASU No. 2018-08, "*Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*". ASU No. 2018-08 should assist entities in (1) evaluation whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This new guidance is effective for fiscal years beginning after December 15, 2018. The School has adopted the provisions of ASU No. 2018-08 and has retrospectively applied this standard to the financial statements as of and for the year ended June 30, 2019.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Recently Issued Accounting Standards (Continued)

Leases

In February 2016, the FASB issued ASU No. 2016-02, "*Leases*" (Topic 842). ASU No. 2016-02 requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the Statement of Financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the Statement of Activities and the Statement of Cash Flows will be substantially unchanged from the existing lease accounting guidance. The ASU is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The School is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*" (Topic 606), which provides a single comprehensive model for entities to use in accounting for revenue from contracts with customers and supersedes most current revenue recognition models. Subsequent to the issuance of ASU No. 2014-09, the FASB issued several additional ASUs which amended and clarified the guidance and deferred the effective date. The ASU is effective for annual reporting periods beginning after December 15, 2020, with certain early adoption provisions available. The School is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

n. Reclassifications

Certain amounts in the 2019 financial statements have been reclassified to conform to the 2020 financial statement presentation.

o. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through September 28, 2020, which is the date the financial statements were available to be issued.

Note 2 - CONCENTRATIONS OF CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned to it. The School has a written policy for custodial credit risk. As of June 30, 2020, the School's bank balances were approximately \$5,750,000. Balances insured by the Federal Deposit Insurance Corporation, which covers up to \$250,000 per financial institution totaled \$250,000 as of June 30, 2020. The remaining deposits of approximately \$5,500,000 were uninsured and collateralized with U.S. government securities held by the pledging financial institution's trust department or agent, but not in the School's name.

Note 3 - CASH RESTRICTED FOR STUDENT ACTIVITIES

The School maintains separate bank accounts for student activities. The accounts are for collected student activity fees and Husky Care (before and after-school care program) fees. Restricted student activity funds amounted to \$158,322 and \$66,027 as of June 30, 2020 and 2019, respectively, and are reported as cash restricted for student activities in the statement of financial position.

Note 4 - GRANT AND OTHER RECEIVABLES

Grant and other receivables are were comprised of the following as of June 30, 2020 and 2019:

	2020	2019
Grant receivables:		
Title I	\$258,747	\$110,826
Title II	8,940	8,437
Title III	2,355	3,784
Title IV	10,364	15,143
Educational Excellence Fund	39,164	25,835
Striving Readers Comprehensive Literacy	43,519	46,754
E-rate - Universal Service Administrative Company	33,974	27,372
Charter School Program	334,738	43,943
High Cost	9,504	2,678
Total grant receivables	741,305	284,772
Other receivables	4,252	51,827
Total grant and other receivables	\$745,557	\$336,599

Note 5 - EQUIPMENT

Equipment as of June 30, 2020 and 2019 consists of the following:

	2020	2019
Equipment - cost	\$31,623	\$31,623
Less accumulated depreciation	(28,194)	(24,765)
Totals	\$ 3,429	\$ 6,858

Depreciation expense for both of the years ended June 30, 2020 and 2019 totaled \$3,429.

Note 6 - COMPENSATED ABSENCES

Teachers and staff are allowed a maximum of ten cumulative sick and personal days per year. For the years ended June 30, 2020 and 2019, earned and unused sick and personal days can be paid to employees at a rate of \$80 per day following the School's fiscal year end. Faculty and staff are allowed to carryover up to three unused sick and personal days to the following year. The School has accrued \$48,755 and \$36,487 of unpaid leave as of June 30, 2020 and 2019, respectively, which is included in accrued expenses on the Statements of Financial Position.

Note 7 - LOANS PAYABLE

On April 15, 2020, the School received a \$1,288,418 loan from Hancock Whitney Bank under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). Interest on the loan is 1%. Management expects that this loan will be repaid by SBA within 12 months and that all expenditures paid from the loan proceeds will be approved as eligible for loan forgiveness under the requirements of the PPP. Any amounts not forgiven would be amortized over a period of two years.

Note 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2020 and 2019 are restricted for the following purposes:

	2020	2019
Subject to expenditure for specified purpose:		
Instructional and other	\$51,071	\$48,181

Net assets released from restrictions during the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Purpose restrictions satisfied:		
Before/after care	\$327,450	\$357,736
Instructional and other	37,113	49,941
Total net assets released	\$364,563	\$407,677

Note 9 - RETIREMENT PLAN

Certain employees of the School participate in the Teachers' Retirement System of Louisiana (TRSL). This system is a cost sharing, multiple-employer governmental defined benefit plan qualified under Section 401(a) of the Internal Revenue Code (IRC). The plan provides retirement benefits as well as disability and survivor benefits to eligible participants. The TRSL issues publicly available financial reports that include financial statements and required supplementary information of the TRSL. That report may be obtained by writing the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123.

Participants vest immediately in employee contributions to the plan. Retirement benefits vest after five years of service if the employee reaches age sixty; otherwise, benefits vest after ten years of service. Benefits are established and amended by state statute. Upon retirement, participants may select from eight retirement payment options.

Participants are required to contribute to the plan 8% of their annual covered payroll; the School was required to contribute 26.0% and 26.7% of the annual covered payroll of each participating employee for the years ended June 30, 2020 and 2019, respectively. These contribution levels are established by state law and set by the Public Retirement Systems Actuarial Committee. For the years ended June 30, 2020 and 2019, School contributions to this plan totaled \$1,230,832 and \$1,009,772, respectively.

Note 10 - RELATED PARTY TRANSACTIONS

During the years ended June 30, 2020 and 2019, the School had related party expenses totaling \$659,560 and \$537,483, respectively, with OPSB, the School's Local Educational Agency. There was no receivable balance due from the OPSB as of June 30, 2020 and 2019. As of June 30, 2020 and 2019, \$208,700 and \$154,345, respectively, was included in accounts payable.

The Louisiana Legislature approved a 2% administrative fee to be paid by all charter schools to the LEA. For the years ended June 30, 2020 and 2019, the School paid \$ 541,469 and \$440,129, respectively, in administrative fees to OPSB. In addition, the School incurred \$107,366 and \$86,689 of related party expenses to the OPSB for insurance costs on their current locations under the lease agreement for the years ended June 30, 2020 and 2019, respectively.

The remaining related party expenses of \$10,725 and \$10,665 are for the food services provided by OPSB for meals at the School for the years ended June 30, 2020 and 2019, respectively.

During the year ended June 30, 2019, the School received \$160,000 from the Hynes Parent Teacher Organization (PTO), affiliated as the parent organization of the students enrolled at the School, which is included in donations on the Statement of Activities. There were no amounts received from the PTO during the year ended June 30, 2020. The PTO receives the use of the School's facilities rent free during the year to host meetings or events.

Note 11 - SCHOOL OPERATIONS/LEASEHOLD INTEREST

Effective January 1, 2013, the School renewed an operating agreement with OPSB, which allows the School to use the Lakeview Campus and its contents located at 990 Harrison Ave., New Orleans, Louisiana 70124, or any other locations as may be approved by the School and OPSB. The agreement was extended on July 1, 2017 and will expire on June 30, 2021. The agreement may be renewed for a period of one year at the option of the OPSB. For the use of the facilities, the School reimburses property insurance costs to the OPSB. The School paid \$96,366 and \$86,689 for the years ended June 30, 2020 and 2019, respectively, in property insurance reimbursement costs.

Note 11 - SCHOOL OPERATIONS/LEASEHOLD INTEREST (Continued)

Effective August 1, 2019, the School signed an operating agreement with OPSB, which allows the School to use the UNO Campus and its contents located at 6101 Chatham Dr., New Orleans, Louisiana 70122, or any other locations that may be approved by the School and the OPSB. This agreement will expire on June 30, 2021. The agreement may be renewed for a period of one year at the option of the OPSB. For the use of the facilities, the School reimburses property insurance costs to the OPSB. The School paid \$11,000 for the year ended June 30, 2020 in property insurance reimbursement costs.

As of June 30, 2020 and 2019, the School has a \$10,000 security deposit with the OPSB.

The School is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations, and rules. The School's maintenance obligation has a maximum of \$10,000. If capital improvements are made by the School with non-public funds to any site which it operates and the charter contract is revoked or terminated, the School will be reimbursed for the fair market value of such capital improvements. Assets purchased with public funds or obtained from public sources will automatically revert to OPSB at the time this agreement is terminated. The School must maintain records of any assets acquired with private funds that will remain at the property of the School.

Note 12 - AVAILABILITY OF FINANCIAL ASSETS

The School is substantially supported by grants and donations on an unrestricted and restricted basis. Because a grantor or donor's restriction requires resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its grantors and donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, management established a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Management established guidelines for making decisions related to managing short-term cash reserves and other investments in a prudent manner.

Note 12 - AVAILABILITY OF FINANCIAL ASSETS (Continued)

The following reflects the School's financial assets as of June 30, 2020, reduced by amounts not available for general use because of grantor or donor-imposed restrictions.

Financial assets:	
Cash	\$5,529,847
Grants receivable	<u>745,557</u>
Total financial assets as of June 30, 2020	6,275,404
Less amounts unavailable for general expenditures within one year, due to:	
Grantor and donor imposed restrictions:	
Restricted by grantors and donors with purpose restriction	<u>(51,071)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$6,224,333</u>

Note 13 - COMMITMENTS

The School has employment contracts as is standard in the field of education with most of its teachers and which expire June 30, 2020 and are paid through July 31, 2020. All contracts provide for a minimum annual salary and other benefits.

Note 14 - CONTINGENCIES

The continuation of the School is contingent upon legislative appropriation or allocation of funds necessary to fulfill the requirements of the charter contract with OPSB. If the legislature fails to appropriate sufficient monies to provide for the continuation of the charter contract, or if such appropriation is reduced by veto of the governor or by any means provided in the appropriations act to prevent the appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the charter contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

Note 15 - RISK MANAGEMENT

The School is exposed to various risks of loss from torts, theft and damage to assets, business interruption, errors and omissions, employee injuries and illnesses, natural disasters, and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims or unsettled claims that exceeded this commercial coverage during the years ended June 30, 2020 and 2019.

Note 16 - SUBSEQUENT EVENTS

The recent global outbreak of the Coronavirus (COVID-19) has raised concerns regarding business, and the financial markets have recently experienced significant volatility. While the School has been immediately impacted by the adverse conditions in the financial markets, the long term impact on the School's operations is uncertain at this time.

The School is following the guidelines of the Louisiana Department of Health along with federal and state of Louisiana guidelines as they relate to COVID-19.

SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

Hynes Charter School Corporation
New Orleans, Louisiana

For the year ended June 30, 2020

Agency Head Name: Michelle Douglas, Chief Executive Officer

Purpose

Salary	\$167,269
Benefits - insurance	6,983
Benefits - retirement	43,536
Deferred compensation	0
Workers compensation	665
Benefits - life insurance	3
Benefits - long term disability	949
Benefits - Fica and Medicare	2,425
Car allowance	0
Vehicle provided by government	0
Cell phone	1,024
Dues	4,700
Vehicle rental	0
Per diem	584
Tuition reimbursements	5,805
Travel	0
Registration fees	0
Conference travel	972
Unvouchered expenses	0
Meetings and conventions	0
Other	25
	<hr/>
	\$234,940
	<hr/> <hr/>

SCHEDULE OF FINANCIAL POSITION BY CAMPUS**Hynes Charter School Corporation**
New Orleans, LouisianaJune 30, 2020
(with comparative totals for 2019)

	2020			
	<u>Lakeview</u>	<u>UNO</u>	<u>Totals</u>	<u>2019</u>
ASSETS				
Cash	\$5,396,283	\$133,564	\$5,529,847	\$4,807,089
Cash restricted for student activities	121,496	36,826	158,322	66,027
Grants and other receivables	525,786	219,771	745,557	336,599
Due from other campus	327,162	-	327,162	-
Prepaid expenses	41,028	52,399	93,427	102,847
Inventory	5,898	7,267	13,165	22,698
Other	10,000	7,400	17,400	10,000
Property and equipment, net	3,429	-	3,429	6,858
	<u>\$6,431,082</u>	<u>\$457,227</u>	<u>\$6,888,309</u>	<u>\$5,352,118</u>
LIABILITIES				
Accounts payable	\$ 221,456	\$ 57,945	\$ 279,401	\$ 224,342
Accrued expenses	489,129	43,548	532,677	694,335
Due to other campus	-	327,162	327,162	-
Deferred revenue	79,603	25,113	104,716	84,712
Loans payable	1,288,418	-	1,288,418	-
	<u>2,078,606</u>	<u>453,768</u>	<u>2,532,374</u>	<u>1,003,389</u>
NET ASSETS				
Total net assets	<u>4,352,476</u>	<u>3,459</u>	<u>4,355,935</u>	<u>4,348,729</u>
Total liabilities and net assets	<u>\$6,431,082</u>	<u>\$457,227</u>	<u>\$6,888,309</u>	<u>\$5,352,118</u>

SCHEDULE OF ACTIVITIES - LAKEVIEW CAMPUS**Hynes Charter School Corporation**
New Orleans, LouisianaFor the year ended June 30, 2020
(with comparative totals for 2019)

	2020			Totals	2019 Totals Only
	Program Services	Management and General	Fundraising		
Revenues and Other Support					
Grants:					
Federal				\$ 410,572	\$ 259,025
State				46,070	30,050
Other				230,000	333,300
State and local Minimum Foundation Program				7,006,715	6,719,732
Donations				17,321	171,657
Student fees				273,236	357,321
Miscellaneous revenue				125,051	130,588
				<u>8,108,965</u>	<u>8,001,673</u>
Expenses					
Administrative fee	\$ 477,873	\$ -	\$ -	477,873	440,129
Advertising	-	1,255	-	1,255	3,404
Depreciation	3,155	274	-	3,429	3,429
Disposal services	11,380	990	-	12,370	10,168
Dues and fees	30,816	8,024	-	38,840	37,118
Employee benefits and payroll taxes	1,139,528	509,498	5,361	1,654,387	1,594,715
Equipment rental	11,307	4,728	-	16,035	17,584
Food service management	10,725	3,998	-	14,723	12,447
Information technology services	112,259	2,291	-	114,550	127,379
Insurance	125,249	10,891	-	136,140	124,016
Materials and supplies	269,157	37,616	-	306,773	347,024
Miscellaneous expense	1,745	22,038	-	23,783	47,243
Professional development	38,180	10,171	-	48,351	83,904
Professional services	66,419	59,053	-	125,472	223,872
Repairs and maintenance	139,668	12,145	-	151,813	202,037
Salaries and wages	3,107,614	1,517,902	16,727	4,642,243	4,413,237

**Schedule 3
(Continued)**

	2020			2019 Totals Only	
	Program Services	Management and General	Fundraising		Totals
Expenses (Continued)					
Telephone and postage	-	1,226	-	1,226	7,435
Textbooks	62,889	-	-	62,889	112,793
Transportation	21,101	-	-	21,101	54,321
Travel	27,552	15,177	-	42,729	33,519
Utilities	192,497	16,739	-	209,236	174,120
Total expenses	\$ 5,849,114	\$ 2,234,016	\$ 22,088	8,105,218	8,069,894
 Increase (decrease) in net assets				3,747	(68,221)
 Net assets					
Beginning of year				4,348,729	4,416,950
End of year				\$ 4,352,476	\$ 4,348,729

SCHEDULE OF ACTIVITIES - UNO CAMPUS**Hynes Charter School Corporation**
New Orleans, LouisianaFor the year ended June 30, 2020
(with comparative totals for 2019)

	2020			2019 Totals Only
	Program Services	Management and General	Fundraising	
Revenues and Other Support				
Grants:				
Federal				\$ 207,573
State				2,598
Other				189,719
State and local Minimum Foundation Program				1,002,036
Donations				-
Student fees				39,082
Miscellaneous revenue				2,852
				<u>1,443,860</u>
Total revenues and other support				-
Expenses				
Administrative fee	\$ 63,596	\$ -	\$ -	63,596
Advertising	-	-	-	-
Depreciation	-	-	-	-
Disposal services	6,867	597	-	7,464
Dues and fees	770	-	-	770
Employee benefits and payroll taxes	114,179	120,370	-	234,549
Equipment rental	2,330	1,985	-	4,315
Food service management	-	-	-	-
Information technology services	19,721	402	-	20,123
Insurance	10,120	880	-	11,000
Materials and supplies	53,259	108,114	-	161,373
Miscellaneous expense	94	3,272	-	3,366
Professional development	33,863	54	-	33,917
Professional services	66,008	4,625	-	70,633
Repairs and maintenance	26,459	2,301	-	28,760
Salaries and wages	353,935	361,587	-	715,522

**Schedule 4
(Continued)**

	2020			2019 Totals Only	
	Program Services	Management and General	Fundraising		Totals
Expenses (Continued)					
Telephone and postage	-	124	-	124	-
Textbooks	-	-	-	-	-
Transportation	21,408	-	-	21,408	-
Travel	4,829	781	-	5,610	-
Utilities	53,241	4,630	-	57,871	-
 Total expenses	 <u>\$ 830,679</u>	 <u>\$ 609,722</u>	 <u>\$ -</u>	 <u>1,440,401</u>	 <u>-</u>
 Increase (decrease) in net assets				 3,459	 -
 Net assets					
Beginning of year				<u>-</u>	<u>-</u>
End of year				<u>\$ 3,459</u>	<u>\$ -</u>

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Trustees,
Hynes Charter School Corporation,
New Orleans, Louisiana.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, the financial statements of Hynes Charter School Corporation (a non-profit organization) (the "School") which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the School's financial statements, and have issued our report thereon dated September 28, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be a material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
September 28, 2020.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements (Continued)**

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2020.

Section III - Federal Award Findings and Questioned Costs

Internal Control/Compliance

The School did not expend more than \$750,000 in federal awards during the year ended June 30, 2020, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Hynes Charter School Corporation New Orleans, Louisiana

For the year ended June 30, 2020

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended June 30, 2019 related to internal control over financial reporting material to the basic financial statements.

Compliance and Other Matters

There were no findings material to the financial statements noted during the audit for the year ended June 30, 2019 related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

The School did not expend more than \$750,000 in federal awards during the year ended June 30, 2019, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2019.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Hynes Charter School Corporation New Orleans, Louisiana

For the year ended June 30, 2020

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended June 30, 2020 related to internal control over financial reporting material to the basic financial statements.

Compliance and Other Matters

There were no findings material to the financial statements noted during the audit for the year ended June 30, 2020 related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

The School did not expend more than \$750,000 in federal awards during the year ended June 30, 2020, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2020.

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

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Trustees,
Hynes Charter School Corporation,
New Orleans, Louisiana.

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Hynes Charter School Corporation (the "School"), the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the School for the fiscal year ended June 30, 2020, and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE), in compliance with Louisiana Revised Statute 24:514(I). Management of the School is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are as follows:

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

1. We selected a random sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on Schedule 1.
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures

Results: No exceptions were noted.

Class Size Characteristics (Schedules 2a and 2b)

2. We obtained a list of classes by school, school type, and class size as reported on the schedules. We traced a sample of ten classes to the October 1, 2019 roll books for those classes and observed that the class was properly classified on the schedules.

Results: No exceptions were noted.

Education Levels/Experience of Public School Staff

3. We obtained the October 1, 2019 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Results: No exceptions were noted.

Public School Staff Data: Average Salaries

4. We obtained the June 30, 2020 PEP data submitted to the Department of Education (or equivalent listing provided by management), of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the listing was complete. We selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

Results: Exception noted: three individuals' salaries were incorrectly reported on the June 30, 2020 PEP data submitted to the Department of Education.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We are not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Hynes Charter School Corporation as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
September 28, 2020.

**GENERAL FUND INSTRUCTIONAL AND SUPPORT
EXPENDITURES AND CERTAIN LOCAL REVENUE SOURCES**

**Hynes Charter School Corporation
New Orleans, Louisiana**

For the year ended June 30, 2020
(Unaudited)

General Fund Instructional and Equipment Expenditures

Instructional expenditures:

Teacher and student interaction activities:

Classroom teacher salaries	\$ 2,822,184	
Other instructional staff salaries	443,770	
Instructional staff employee benefits	1,169,904	
Purchased professional and technical services	123,855	
Instructional materials and supplies	205,302	
Instructional equipment	-	

Total teacher and student interaction activities \$ 4,765,015

Other instructional activities 179,788

Pupil support services 1,004,528

Less: equipment for pupil support services -

Net pupil support services 1,004,528

Instructional staff services 89,196

Less: equipment for instructional staff services -

Net instructional staff services 89,196

School administration 966,505

Less: equipment for school administration -

Net school administration 966,505

Total general fund instructional expenditures \$ 7,005,033

* Remainder of the BESE Schedule 1 does not apply to the School.

See independent accountants' report on applying Agreed-Upon Procedures.

CLASS SIZE CHARACTERISTICS

**Hynes Charter School Corporation
Lakeview Campus
New Orleans, Louisiana**

As of October 1, 2019
(Unaudited)

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	27%	39	52%	75	21%	30	0%	-
Elementary Activity Classes	47%	94	27%	55	24%	49	2%	4
Middle/Jr. High	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-
High	-	-	-	-	-	-	-	-
High Activity Classes	-	-	-	-	-	-	-	-
Combination	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-

Note:

The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students, and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

See independent accountants' report on applying Agreed-Upon Procedures.

CLASS SIZE CHARACTERISTICS

Hynes Charter School Corporation
UNO Campus
 New Orleans, Louisiana

As of October 1, 2019
 (Unaudited)

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	0%	-	60%	3	40%	2	0%	-
Elementary Activity Classes	20%	2	60%	6	20%	2	0%	-
Middle/Jr. High	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-
High	-	-	-	-	-	-	-	-
High Activity Classes	-	-	-	-	-	-	-	-
Combination	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-

Note:

The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students, and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

See independent accountants' report on applying Agreed-Upon Procedures.



Hynes Charter School Corporation
Chief Executive Officer
990 Harrison Avenue
New Orleans, Louisiana 70124
(504) 324-7160

September 11, 2020

Louisiana Legislative Auditor
1600 North 3rd Street
P.O. Box 94397
Baton Rouge, Louisiana
70804-9397

Through

Mr. Paul Pechon, CPA
Bourgeois Bennett, LLC
P. O. Box 60600
New Orleans, Louisiana
70160-0600

Re: Management's Response to Board of Elementary and Secondary Agreed-Upon
Procedures for Hynes Charter School Corporation

Dear Mr. Pechon:

Hynes Charter School Corporation will review policies and procedures with regard to the comments for the Profile of Educational Personnel data schedule. We will make appropriate changes to improve reporting on this schedule of performance that are cost-effective and within our budget constraints.

Sincerely,

Michelle B. Douglas, Ed.D.
Chief Executive Officer