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ST. LANDRY PUBLIC CHARTER SCHOOL

Annual Financial Report

For the Period July 1, 2001 to August 15, 2002

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July 20, 2004

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Landry Public Charter School
Opelousas, Louisiana

We were engaged to audit the accompanying statement of financial position of the J.S. Clark Foundation dba St. Landry Public Charter School (the School) as of August 15, 2002, and the related statements of activities and cash flows for the 14 month period then ended. These financial statements are the responsibility of the Organization's Management.

We are unable to obtain certain written representations from management as required by generally accepted auditing standards. In addition, we were unable to apply auditing procedures to the financial records because supporting invoices and records for most revenue and expenditures could not be located.

The accompanying financial statements have been prepared assuming the School will continue as a going concern. As discussed in Note 5 to the financial statements, the School was closed in August 2002 and operations turned over to the BESE Board for liquidation due to various administrative and operational problems that could not be resolved. Generally Accepted Accounting Principles require organizations to report assets and liabilities on the liquidation basis (net realizable and carrying values) when the termination of the organization is imminent. The effects on the financial statements of this departure from those accounting principles are not reasonably determinable.

Generally accepted accounting principles require organizations to record its property and equipment at cost or net realizable value and record period depreciation expenses. The records for property and equipment and corresponding depreciation costs were incomplete and not properly recorded on the accompanying financial statements. The effects on the financial statements of this departure are not reasonably determinable.

Because of the limitations on the scope of our work explained in the second paragraph, we are unable to express, and we do not express, an opinion on the financial statements referred to in the first paragraph.

Board of Directors
St. Landry Public Charter School

In accordance with Government Auditing Standards, we have also issued our report dated July 20, 2004, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Audit Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the school taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. We were engaged to audit such information in connection with the audit of the basic financial statements. Because of limitations on the scope of our work, we are unable to express, and we do not express, an opinion on such information in relation to the basic financial statements taken as a whole.

Rozier Harrington & McKay

ROZIER, HARRINGTON & McKAY
Certified Public Accountants

St. Landry Public Charter School
Statement of Financial Position
August 15, 2002

Assets

Current Assets:		
Cash and cash equivalents	$	65,864
Inventories		175
Total Current Assets		66,039
Fixed assets, net of accumulated depreciation		13,466
Due from Harvey Stevens Memorial Foundation		109,233
Total Assets	$	188,738

Liabilities and Net Assets

Current Liabilities:		
Accounts payable and accrued expenses	$	117,740
Other		2,000
Total Liabilities - All Current		119,740
Net Assets:		
Unrestricted net assets		-
Temporarily restricted net assets		68,998
Total Net Assets		68,998
Total Liabilities and Net Assets	$	188,738

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

St. Landry Public Charter School
Statement of Activities
For the 14 Month Period Ended August 15, 2002

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support:				
State program revenues	$ -	$ 1,517,811	$ -	$ 1,517,811
Federal program revenues	-	430,565	-	430,565
Other income	14,080	-	-	14,080
Net asset released from restricted	1,879,378	(1,879,378)	-	-
Total revenue and support	1,893,458	68,998	-	1,962,456
Functional Expenses:				
Program services:				
Regular instructional programs	591,648	-	-	591,648
Special instructional programs	85,035	-	-	85,035
Other instructional programs	95,458	-	-	95,458
Pupil support services	203,767	-	-	203,767
School administration	50,996	-	-	50,996
Business services	298,397	-	-	298,397
Plant services	245,153	-	-	245,153
Transportation services	110,704	-	-	110,704
Food services	158,495	-	-	158,495
Total program services	1,839,653	-	-	1,839,653
Supporting services:				
Management and general	53,805	-	-	53,805
Total supporting services	53,805	-	-	53,805
Total functional expenses	1,893,458	-	-	1,893,458
Increase (decrease) in net assets	-	68,998	-	68,998
Net assets - beginning of year	-	-	-	-
Net assets - end of year	$ -	$ 68,998	$ -	$ 68,998

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

St. Landry Public Charter School
Statement of Cash Flows
For the 14 Month Period Ended August 15, 2002

Cash flows from operating activities:	
Change in net assets	$ 68,998
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:	
Depreciation	1,773
Change in operating assets and liabilities:	
(Increases)decrease in grants and pledges receivable	-
(Increase)decrease in inventory	(175)
(Increases)decrease in due to/from other entities	(109,233)
Increase (decrease) in Accounts Payable and Accrued Expenses	117,740
Increase (decrease) in other	2,000
Net cash provided (used) by operating activities	81,103
Cash flows from investing activities:	
Purchase of new equipment	(15,239)
Net cash provided (used) by investing activities	(15,239)
Cash flows from financing activities:	
Net change in bank overdraft	-
Increase in notes payable	-
Net cash provided (used) by financing activities	-
Net increase (decrease) in cash and cash equivalents	65,864
Cash and cash equivalents - beginning of year	-
Cash and cash equivalents - end of year	$ 65,864

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:
The St. Landry Public Charter School (the School) is operated by the J.S. Clark Foundation (Foundation). On August 30, 2001, the Foundation assumed the charter from Harvey-Stevens Memorial Foundation, Inc., a non-profit organization incorporated under Louisiana Corporation Statutes. Under the terms of the assumption the Foundation has accepted responsibilities for operation of the School and the Harvey Stevens Memorial Foundation, Inc. retains no authority under the charter. The accompanying financial statements include the financial position, results of operations, and cash flows of the School and do not reflect any other operations of the J.S. Clark Foundation. As explained in Note 5, the School was closed in August 2002, and its operations turned over to the control of the Louisiana State Board of Elementary and Secondary Education (BESE Board).

The School was approved as a Type-2 charter school under State Law. The School is governed by the Directors of the J.S. Clark Foundation and managed by a superintendent employed by the Directors.

Basis of Presentation:
The financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles. Preparation of financial statements in conformity with generally accepted accounting principles requires certain estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

As required by Statement of Financial Accounting Standards (SFAS) No. 117, net assets and activities are classified in the following manner:

> Unrestricted – Net assets that are not subject to significant donor imposed restrictions.
>
> Temporarily Restricted – Net assets subject to certain donor-imposed restrictions and restrictions imposed by grant agreements. Temporary restrictions apply when the restriction can be fulfilled by actions of the School or by the passage of time.
>
> Permanently Restricted – Net assets subject to donor imposed restrictions that require these assets to be maintained in a perpetual manner.

Income Taxes:
The School is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, the School is not classified as a "private foundation" by the Internal Revenue Service.

Promises to Give:
As required by generally accepted accounting principles, unconditional promises to give are reported as revenue when the promise is made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Cash and Cash Equivalents:
Cash and cash equivalents represent bank deposits and highly liquid investments with original maturities of three months or less.

Fixed Assets:
Fixed assets are recorded at cost on the date of acquisition. Donated property is recorded at the estimated fair value upon receipt. Depreciation is computed using the straight-line method over estimated useful lives ranging from 5 to 30 years.

Assets donated with explicit restrictions regarding their use and contributions of cash earmarked to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the School reports expirations of donor restrictions when the donated or acquired assets are placed in service. The School reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated Services:
Contributed services are recognized if the services require specialized skills and the school would be required to purchase these services if donated services were not available. For the period July 1, 2001 to August 15, 2002, records do not reflect any donated services that meet the criteria for recognition.

Compensated Absences:
Employees are allowed to accumulate and carry over a maximum of 40 hours of vacation time per year; however, it was not practical to estimate the amount of compensated absences payable at August 15, 2002, and no liability for compensated absences have been reported in the accompanying financial statements.

NOTE 2 – CASH

At August 15, 2002, the School had deposits totaling $90,680 (bank balances). The bank balances were fully insured by the Federal Deposit Insurance Corporation.

NOTE 3 – GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable consisted entirely of unconditional promises to give. Grants and pledges are considered entirely collectible and there is no allowance for doubtful accounts. Furthermore, the entire balance is considered collectible with one year.

NOTE 4 – FIXED ASSETS

Details regarding fixed assets utilized by the School are presented as follows:

Furniture, fixtures and equipment	$ 15,239
Total fixed assets	15,239
Accumulated depreciation	(1,773)
Fixed assets net of accumulated depreciation	$ 13,466

Depreciation expense for the period ended August 15, 2002, totaled $1,773.

NOTE 5 – CLOSURE OF SCHOOL

The financial statements have been prepared assuming the School will continue as a going concern. In August 2002, the School was closed and control of operations was turned over to the BESE Board for liquidation due to various administrative and operational problems that could not be resolved.

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July 20, 2004

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

To the Board of Directors
St. Landry Public Charter School
Opelousas, Louisiana

We were engaged to audit the financial statements of the St. Landry Public Charter School for the period July 1, 2001 to August 15, 2002, and have issued our report thereon dated July 20, 2004. We were engaged to conduct 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.

COMPLIANCE

As part of obtaining reasonable assurance about whether St. Landry Public Charter School's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed several instances on noncompliance that are required to be reported under *Government Auditing Standards,* which are described in the accompanying Schedule of Findings and Questioned Costs as item 2002-02.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the School's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the School's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2002-01.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions described above to be a material weakness.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

Rozier, Harrington & McKay

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Certified Public Accountants

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July 20, 2004

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
St. Landry Public Charter School
Opelousas, Louisiana

COMPLIANCE

We have audited the compliance of the St. Landry Public Charter School with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the period ended August 15, 2002. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School's management. Our responsibility is to express an opinion of the School's compliance based on our audit.

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

Board of Directors
St. Landry Public Charter School

As described in items 2002-03 and 2002-04 in the accompanying schedule of findings and questioned cost, the School did not comply with requirements regarding allowable cost that are applicable to its major federal programs. Compliance with such requirements is necessary, in our opinion, for the School to comply with requirements applicable to the programs.

INTERNAL CONTROL OVER COMPLIANCE

The management of the School is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. We considered the School's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the School's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned cost as items 2002-03 and 2002-04.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2002-03 and 2002-04 to be material weaknesses.

This report is intended solely for the information and use of management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

Rozier Harrington & McKay

ROZIER, HARRINGTON, & McKAY
CERTIFIED PUBLIC ACCOUNTANTS

St. Landry Public Charter School
Schedule of Expenditures of Federal Awards
For the 14 Month Period Ended August 15, 2002

	Federal CFDA No.	Federal Expenditures
FEDERAL GRANTOR / Pass-through Grantor / Program Title		
Department of Education		
Pass-through the State of Louisiana, Department of Education, Title I Grants to Local Educational Agencies	84.010	$ 248,472
Pass-through the State of Louisiana, Department of Education, Innovative Education Program Strategies	84.298	2,859
Pass-through the State of Louisiana, Department of Education, Special Education	84.027A	37,546
Pass-through the State of Louisiana, Department of Education, Class Size Reduction	84.340	32,673
Total Department of Education		321,550
United States Department of Agriculture		
Pass-through the State of Louisiana, Department of Education, National School Lunch Program	10.555	$ 109,015
Total Department of Agriculture		109,015
Total Federal Funds Expended		$ 430,565

Note: The schedule of expenditures of federal awards was prepared in conformity with generally accepted accounting principles for governmental units. See the accompanying notes to financial statements for further details.

ST. LANDRY PUBLIC CHARTER SCHOOL
Summary of Findings and Questioned Cost
For the Period Ended August 15, 2002

We were engaged to audit the financial statements of the St. Landry Public Charter School for the period July 1, 2001 to August 15, 2002, and have issued our report thereon dated July 20, 2004. 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. Our report expresses a disclaimer of opinion on the financial statements for the period ending August 15, 2002.

SECTION I – SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the financial statements for the St. Landry Public Charter School as of August 15, 2002, expressed a disclaimer of opinion.
- Reportable conditions were noted in the audit, and these reportable conditions are considered to be material weaknesses as required to be reported in accordance with Government Auditing Standards.
- The results of the audit disclosed instances of noncompliance that are considered to be material to the financial statements of the St. Landry Public Charter School.
- Reportable conditions in internal control over major programs that are considered to be material weaknesses were disclosed by the audit.
- The Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 expressed an adverse opinion on compliance for major programs.
- The audit disclosed audit findings, which are required to be reported under Section 510 of Circular A-133.
- The St. Landry Public Charter School did not have any Type A programs; however, the following Type B program was treated as a Major program for the period ended August 15, 2002:

84.010	Title I Grants to Local Educational Agencies
10.555	Food & Nutrition

- A threshold of $300,000 was used for distinguishing between Type A and Type B programs for purposes of identifying major programs.
- The St. Landry Public Charter School was not considered to be a low risk auditee as defined by OMB Circular A-133.

SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

Finding 2002-01: Financial Reporting / Internal Control

The School's financial records for the period ended August 15, 2002, did not accurately report financial position or results from operations. Deficiencies effecting the financial records included numerous departures from the basic concepts of proper financial management. Some of the more significant of these departures are described as follows:

- No documentation was available to support the School's expenditures. The School's financial records indicated that a total of $1,893,458 was disbursed from two of its checking accounts and there was no documentation available to support those expenditures.
- Financial records provided by the School do not contain personnel records in sufficient detail to document payroll expenses or permit the computation of compensated absences payable.
- Records provided by the School did not include an operating budget or any evidence that a budget had been adopted. Furthermore, financial statements prepared by the bookkeepers retained by the School did not include budget comparisons.
- Financial statements prepared by the bookkeepers retained by the School were not presented on a liquidation basis.
- Fixed assets assumed by J.S. Clark Foundation from Harvey-Stevens Memorial Foundation were not recorded. Therefore, depreciation was not calculated properly.
- Depreciation of fixed assets purchased in audited period was not computed using the straight-line method over an estimated useful life ranging from 5 to 30 years.
- Financial statements prepared by the bookkeepers retained by the School did not present net assets as Unrestricted, Temporarily Restricted, or Permanently Restricted.

Due to the scope limitations that prevented expressing an opinion on the financial statements, it was impossible to thoroughly document the School's internal control structure; however, the condition of the financial records indicates that internal controls were inadequate or disregarded.

Finding 2002-02: Legal Compliance

A completed copy of the Louisiana Compliance Questionnaire was not provided in connection with this engagement. Furthermore, scope limitations that prevented expressing an opinion on the financial statements have also restricted the analysis of compliance issues. Findings related to compliance were as follows:

2002-02(A): Administration

Charter schools are subject to a variety of administrative requirements imposed by State Law. These requirements are summarized as follows:

- Compensation for members of the governing board is limited to reimbursement of actual expenses.
- Members of the governing board and school administration are required to meet certain qualifications.
- Management and accounting practices are required to comply with provisions prescribed by the school's charter.
- Charter schools are required to maintain insurance coverage as specified by the Charter.
- Charter schools are not allowed to affiliate with any religion or religious organization or institution.

Due to the inadequate nature of the School's financial records described in Finding 2002-01, it was not possible to fully ascertain compliance with the provisions described above. The condition of the financial records does indicate that the school has not established suitable management and accounting procedures.

2002-02(B): Student Admissions

Charter schools are required to adhere to specific admission policies; however, the records provided by the School did not provide sufficient details to identify the required admission policies or to assess compliance with the admission requirements.

2002-02(C): Instructional Staff

According to the provisions of state law, at least 75% of the School's instructional staff must be certified by BESE, or must be actively seeking certification. In addition, uncertified personnel must hold a bachelor's degree or have at least ten years experience in the field relating to the teaching position for which the individual was hired. All attempts to locate records necessary to assess compliance with these requirements were unsuccessful.

2002-02(D): Fixed Assets

As a Type 2 charter school, the School must maintain records of fixed assets that clearly identify those assets acquired with public funds. The School has a list of fixed assets but it does not indicate whether the assets were acquired with public or private funds. The fixed asset records do indicate that the School has made improvements to leased facilities costing $55,564.

2002-02(E): Count of Students

Charter schools are required to submit a student count to the local school board or the Department of Education. Students included in the count must be pursuing a regular high school diploma or a general education development certificate. Available records did not provide documents related to the student count; therefore, it was not possible to consider compliance with these requirements.

2002-02(F): Open Meetings Law

Charter schools are required to comply with the State's open meetings law; however, records necessary to document compliance were not available. Furthermore, auditors were unable to locate minutes of the Board's meetings.

2002-02(G): Public Records Act

Due to the inadequate nature of the School's records as described in Finding 2002-01, the School has not maintained its records in the manner required by State Law.

2002-02(H): Public Bid Law

Due to the inadequate nature of the School's records as described in Finding 2002-01, it is impossible to determine if the school has complied with the public bid law.

2002-02(I): State Audit Law
The School did not comply with the provisions of the State Audit Act. The audit for the year ended June 30, 2001, was not submitted on a timely basis.

SECTION III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS, WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:

	Questioned Costs
Finding 2002-03: Department of Education Office of Management and Budget Circular A-122, *Cost Principles for Non-Profit Organizations,* establishes criteria for determining allowable cost that may be charged to federal programs. The criteria established by Circular A-122 require allowable cost to be adequately documented; however, as discussed in Finding 2002-01, the School has not documented its cost. Consequently, the School has not complied with compliance requirements applicable to federal funds and internal control over compliance with those requirements is subject to a material weakness. Furthermore, since the School cannot document that expenditure of funds provided by the Department of Education are allowable cost, all funds provided by the Department of Education are reported as question cost as noted below:	
Total Questioned Costs – Department of Education	$ 321,550
Finding 2002-03: Department of Agriculture Office of Management and Budget Circular A-122, *Cost Principles for Non-Profit Organizations,* establishes criteria for determining allowable cost that may be charged to federal programs. The criteria established by Circular A-122 require allowable cost to be adequately documented; however, as discussed in Finding 2002-01, the School has not documented its cost. Consequently, the School has not complied with compliance requirements applicable to federal funds and internal control over compliance with those requirements is subject to a material weakness. Furthermore, since the School cannot document that expenditure of funds provided by the Department of Agriculture are allowable cost, all funds provided by the Department of Agriculture are reported as question cost as noted below:	
Total Questioned Costs – Department of Agriculture	109,015
Total Questioned Costs – All Programs	$ 430,565

ST. LANDRY PUBLIC CHARTER SCHOOL
Management's Corrective Action Plan
For the Period Ended August 15, 2002

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
Findings	**Response**
2002-01, Financial Reporting / Internal Control: The School's financial records for the period ended August 15, 2002, did not accurately report financial position or results from operations. Deficiencies effecting the financial records included numerous departures from the basic concepts of proper financial management.	**2002-01, Financial Reporting / Internal Control:** BESE has reacted to continuing problems by assuming control and closing the School.
2002-02, Legal Compliance: A completed copy of the Louisiana Compliance Questionnaire was not provided in connection with this engagement. Furthermore, scope limitations that prevented expressing an opinion on the financial statements have also restricted the analysis of compliance issues.	**2002-02, Legal Compliance:** BESE has reacted to continuing problems by assuming control and closing the School.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS.	
Findings	**Response**
2002-03, Department of Education: The School has not complied with compliance requirements applicable to federal funds and internal control over compliance with those requirements is subject to a material weakness. Furthermore, the School cannot document that expenditure of funds provided by the Department of Education are allowable cost, all funds provided by the Department of Education are reported as a question cost.	**2002-03, Department of Education:** BESE has reacted to continuing problems by assuming control and closing the School.
2002-04, Department of Agriculture: The School has not complied with compliance requirements applicable to federal funds and internal control over compliance with those requirements is subject to a material weakness. Furthermore, the School cannot document that expenditure of funds provided by the Department of Agriculture are allowable cost, all funds provided by the Department of Agriculture are reported as a question cost.	**2002-04 Department of Agriculture:** BESE has reacted to continuing problems by assuming control and closing the School.

ST. LANDRY PUBLIC CHARTER SCHOOL
Summary of Prior Year Findings and Questioned Costs
For the Period Ended August 15, 2002

SECTION I
INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.

Prior Findings	Current Response
2001-01, Financial Reporting / Internal Control: The School's financial records for the period ended June 30, 2001, did not accurately report financial position or results from operations. Deficiencies effecting the financial records included numerous departures from the basic concepts of proper financial management.	**2001-01, Financial Reporting / Internal Control:** BESE has reacted to continuing problems by assuming control and closing the School.
2001-02, Legal Compliance: A completed copy of the Louisiana Compliance Questionnaire was not provided in connection with this engagement. Furthermore, scope limitations that prevented expressing an opinion on the financial statements have also restricted the analysis of compliance issues.	**2001-02, Legal Compliance:** BESE has reacted to continuing problems by assuming control and closing the School.

SECTION II
INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS.

Findings	Response
2001-03 Department of Education: The School has not complied with compliance requirements applicable to federal funds and internal control over compliance with those requirements is subject to a material weakness. Furthermore, the School cannot document that expenditure of funds provided by the Department of Education are allowable cost, all funds provided by the Department of Education are reported as a question cost.	**2001-03, Department of Education:** BESE has reacted to continuing problems by assuming control and closing the School.
2001-04, Department of Agriculture: The School has not complied with compliance requirements applicable to federal funds and internal control over compliance with those requirements is subject to a material weakness. Furthermore, the School cannot document that expenditure of funds provided by the Department of Agriculture are allowable cost, all funds provided by the Department of Agriculture are reported as a question cost.	**2001-04 Department of Agriculture:** BESE has reacted to continuing problems by assuming control and closing the School.