

**VOICES FOR INTERNATIONAL BUSINESS
AND EDUCATION**

FINANCIAL STATEMENTS

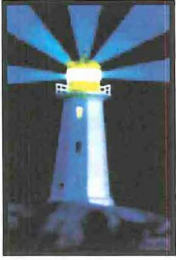
JUNE 30, 2021 AND 2020

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

JUNE 30, 2021 AND 2020

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BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Voices for International Business and Education,
d.b.a. The International High School of New Orleans
New Orleans, Louisiana

We have audited the accompanying financial statements of Voices for International Business and Education (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021 and 2020, and the related statements of activities and cash flows for the years then ended and the related 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the combined 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 Organization'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 evaluating the overall presentation of the combined financial statements.

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Voices for International Business and Education and its affiliates as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

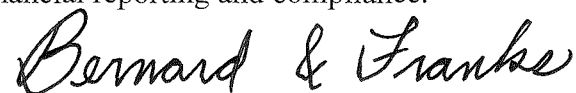
Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer on page 18 is presented for the purpose of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined 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 December 22, 2021, on our consideration of Voices for International Business and Education and Affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Voices for International Business and Education and Affiliate's 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 Voices for International Business and Education and Affiliate's internal control over financial reporting and compliance.

Metairie, Louisiana
December 22, 2021



VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020**

ASSETS	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,144,810	\$ 1,464,886
Receivables		
Grants	82,245	92,367
Prepaid insurance	45,695	50,000
Prepaid, other	17,497	38,441
Total current assets	<u>\$ 1,290,247</u>	<u>\$ 1,645,694</u>
PROPERTY AND EQUIPMENT	\$ 1,777,063	\$ 1,751,446
Less accumulated depreciation	<u>(1,164,882)</u>	<u>(1,080,982)</u>
Total property and equipment	<u>\$ 612,181</u>	<u>\$ 670,464</u>
Total assets	<u><u>\$ 1,902,428</u></u>	<u><u>\$ 2,316,158</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 49,627	\$ 117,781
Accrued salaries and benefits	183,243	191,264
Total current liabilities	<u>\$ 232,870</u>	<u>\$ 309,045</u>
LONG TERM LIABILITIES		
Paycheck Protection Program Loan	\$ -	\$ 774,200
SBA Loan	149,900	-
Deferred federal payroll taxes	128,043	26,701
Total long term liabilities	<u>\$ 277,943</u>	<u>\$ 800,901</u>
NET ASSETS		
Without donor restrictions	\$ 1,391,615	\$ 1,206,212
Total net assets	<u>\$ 1,391,615</u>	<u>\$ 1,206,212</u>
Total liabilities and net assets	<u><u>\$ 1,902,428</u></u>	<u><u>\$ 2,316,158</u></u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	2021 Without Donor Restrictions	2020 Without Donor Restrictions
REVENUE, GAINS, AND OTHER SUPPORT		
Grants:		
State	\$ 3,926,927	\$ 4,594,083
Federal	1,068,221	677,629
Gain from PPP loan extinguishment	774,200	-
Contributions	100,960	60,575
Interest	3,480	4,996
Other	78,158	182,045
	\$ 5,951,946	\$ 5,519,328
EXPENSES		
Program services	\$ 4,596,586	\$ 4,573,691
Supporting services		
General and administrative	1,157,619	1,150,986
Fund raising	12,338	58,648
	\$ 5,766,543	\$ 5,783,325
Increase (decrease) in net assets	\$ 185,403	\$ (263,997)
NET ASSETS AT BEGINNING OF YEAR	1,206,212	1,470,209
NET ASSETS AT END OF YEAR	\$ 1,391,615	\$ 1,206,212

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021**

	Program Service			
	Education Program			
Salaries and related expenses				
Salaries	\$ 2,460,990	\$ 661,853	\$ -	\$ 3,122,843
Employee benefits	290,926	91,871	-	382,797
Payroll taxes	179,863	56,799	-	236,662
Total salaries and related expenses	<u>\$ 2,931,779</u>	<u>\$ 810,523</u>	<u>\$ -</u>	<u>\$ 3,742,302</u>
Accounting	\$ -	\$ 21,467	\$ -	\$ 21,467
Advertising	62,028	20,676	-	82,704
Communications	64,014	16,004	-	80,018
Equipment rental and lease	29,754	7,438	-	37,192
Depreciation	-	83,900	-	83,900
Dues and fees	21,690	29,865	-	51,555
Indirect Cost	11,422	-	-	11,422
Insurance	78,825	12,399	-	91,224
Miscellaneous	256,940	28,549	-	285,489
Occupancy	175,164	13,185	-	188,349
Professional services				
Educational	260,588	-	-	260,588
Legal	-	59,510	-	59,510
Other	174,009	19,985	1,525	195,519
Printing and binding	-	3,168	-	3,168
Repairs and maintenance	54,079	4,070	-	58,149
Student transportation	166,750	-	-	166,750
Supplies				
Books	35,306	-	-	35,306
Other materials and supplies	183,824	21,626	10,813	216,263
Technology	54,981	-	-	54,981
Travel and conferences	21,014	5,254	-	26,268
Tuition to other LEAs	14,419	-	-	14,419
Total expenses	<u>\$ 4,596,586</u>	<u>\$ 1,157,619</u>	<u>\$ 12,338</u>	<u>\$ 5,766,543</u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

	Program Service		Fund-raising	Total
	Education Program	General and Administrative		
Salaries and related expenses				
Salaries	\$ 2,589,827	\$ 671,997	\$ 45,763	\$ 3,307,587
Employee benefits	265,860	83,956	-	349,816
Payroll taxes	190,020	60,007	-	250,027
Total salaries and related expenses	<u>\$ 3,045,707</u>	<u>\$ 815,960</u>	<u>\$ 45,763</u>	<u>\$ 3,907,430</u>
Accounting	\$ -	\$ 17,605	\$ -	\$ 17,605
Advertising	37,851	12,617	-	50,468
Communications	44,254	11,063	-	55,317
Equipment rental and lease	40,699	10,175	-	50,874
Depreciation	-	107,225	-	107,225
Dues and fees	32,502	32,502	-	65,004
Insurance	50,687	3,815	-	54,502
Miscellaneous	104,771	21,158	-	125,929
Occupancy	156,796	11,801	-	168,597
Professional services				
Educational	210,309	-	-	210,309
Legal	-	42,964	-	42,964
Other	174,539	20,373	-	194,912
Printing and binding	-	2,058	-	2,058
Repairs and maintenance	35,331	2,659	-	37,990
Student transportation	289,936	-	-	289,936
Supplies				
Books	10,083	-	-	10,083
Other materials and supplies	219,025	25,767	12,885	257,677
Technology	21,697	-	-	21,697
Travel and conferences	52,974	13,244	-	66,218
Tuition to other LEAs	46,530	-	-	46,530
Total expenses	<u>\$ 4,573,691</u>	<u>\$ 1,150,986</u>	<u>\$ 58,648</u>	<u>\$ 5,783,325</u>

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 185,403	\$ (263,997)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	83,900	107,225
(Increase) decrease in operating assets:		
Accounts receivable:		
Grants	10,122	(64,827)
Prepaid expenses	25,249	18,769
Increase (decrease) in operating liabilities:		
Accounts payable	(68,154)	18,196
Accrued salaries and benefits	(8,021)	(372)
Net cash provided by operating activities	\$ 228,499	\$ (185,006)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property and equipment	\$ (25,617)	\$ (35,264)
Refundable advance- Paycheck Protection Program	(774,200)	774,200
Net cash provided by investing activities	\$ (799,817)	\$ 738,936
CASH FLOWS FROM FINANCING ACTIVITIES		
Deferred federal payroll taxes	\$ 101,342	\$ 26,701
SBA Loan	149,900	-
Net cash provided by financing activities	\$ 251,242	\$ 26,701
Net increase in cash and cash equivalents	\$ (320,076)	\$ 580,631
Beginning cash and cash equivalents	\$ 1,464,886	\$ 884,255
Ending cash and cash equivalents	\$ 1,144,810	\$ 1,464,886

See Notes to Financial Statements.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Voices for International Business and Education, d.b.a. The International High School of New Orleans was incorporated on August 7, 2009. It is the only high school offering the International Baccalaureate Diploma Program and college preparatory curriculum in the New Orleans, Louisiana area. The School's mission is to educate and nurture a diverse learning community through the International Baccalaureate Programme, world languages, and intercultural appreciation to succeed in the global economy. The School is primarily supported by governmental and private grants.

The Louisiana Board of Elementary and Secondary Education (BESE) approved the School to operate as a Type 2 Charter School, as defined in LA- R.S.17:3992 and 3998 for a contract period of a four year term that will terminate on June 30, 2025.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recorded when incurred.

Financial Statement Presentation

The School follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The School reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the School. These net assets may be used at the discretion of the School's management and the board of directors. The revenues received in conducting the mission of the School's are included in the category.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the School or by the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated these funds be maintained in perpetuity.

As of June 30, 2021 and 2020, the School has not received any contributions with donor-imposed restrictions that would result in donor restricted net assets.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the School considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, unless the investments are held for meeting restrictions for purchase of property and equipment, payment of long-term debt, or endowment.

The School maintains its cash balance in a financial institution located in New Orleans, Louisiana. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. The School's bank pledged securities in the amount of \$1,250,000 to secure the bank balance.

Receivables

Receivables consist of amounts due from grants. Management believes that all receivables are collectible. The receivables 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.

Property and Equipment

All acquisitions of property and equipment in excess of \$2,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the assets as follows:

Leasehold improvements	1 to 6 years
Furniture and equipment	5 to 7 years

State funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Organization reports public support contributions as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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. Support and revenue that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized,

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Funds with donor restrictions are used to differentiate the resources whose use is restricted by donors or grantors from the resources on which donors or grantors have placed no restriction or the resources that arise as a result of the operations of the Organization for a stated purpose.

Revenue is recognized for services provided to our clients. Revenue for these services is measured based on the amount charged for the service. Revenue is recognized and considered earned at the time of completion of the services.

Payroll Protection Program loan amount is recorded as revenue when it is ultimately forgiven (i.e., the entity is legally released from being the loan's primary obligor in accordance with ASC 405-20, Extinguishment of Debt) then income would be recognized in the income statement as a gain on loan extinguishment.

Functional Allocation of Expense

The costs of providing program services and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services based on use rates estimated by management. Directly identifiable expenses are charged to program, management and general and fundraising as appropriate.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

The School expenses all advertising costs as incurred. For the years ended June 30, 2021 and 2020, the School incurred and expensed advertising costs of \$82,704 and \$50,468, respectively.

Income Taxes

The School is a nonprofit organization and exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The School believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to combined financial statements. The School's Federal Exempt Information Returns (Form 990) for 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 2. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following for the years ended June 30, 2021 and 2020:

	2021	2020
Leasehold improvements	\$ 547,636	\$ 547,636
Furniture and equipment	1,229,427	1,203,810
	1,777,063	1,751,446
Less accumulated depreciation	(1,164,882)	(1,080,982)
	\$ 612,181	\$ 670,464

Depreciation expense was \$83,900 and \$107,225 for the years ended June 30, 2021 and 2020, respectively.

NOTE 3. LINE OF CREDIT

The School maintains a line of credit of \$400,000 with a maturity date of November 14, 2024, which has variable rate based on the prime rate of interest. The purpose of the loan is to provide short-term working capital for the School. The line is secured by all grant proceeds from the Louisiana Department of Education and was unused for the years ended June 30, 2021 and 2020, respectively.

NOTE 4. SBA LOAN

On July 22, 2020, the School obtained an SBA loan in the amount of \$149,900 with a 2.75% interest per annum to be used solely as working capital to alleviate economic injury caused by the coronavirus. Installment payments, including principal and interest, of \$641 monthly will begin 12 months from the date of the promissory note.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 4. SBA LOAN (Continued)

The balance of principal and interest will be payable within 30 years from the date of the promissory note. The future minimum payments are as follows:

2022	\$	3,301
2023		3,697
2024		3,800
2025		3,906
2026		4,015
Thereafter		131,181
Total	\$	<u>149,900</u>

NOTE 5. DEFERRED FEDERAL PAYROLL TAXES

The Coronavirus Aid, Relief and Economic Security Act (CARES Act) allows employers to defer the deposit and payment of the employer's share of Social Security taxes through December 31, 2020. Half of the deferred amount is due on December 31, 2021, and the other half is due on December 31, 2022. The School deferred \$128,043 and \$26,701 of the employer's portion of Social Security tax for the years ended June 30, 2021 and 2020, respectively.

NOTE 6. RETIREMENT PLAN

The School offers a 401(k) plan covering all employees upon the completion of one year of employment or 1,000 hours of service. The School contributes a match up to 3% of all employee's elective deferrals. Retirement expense was \$38,231 and \$36,028 for the years ended June 30, 2021 and 2020, respectively.

NOTE 7. GRANTS AND ECONOMIC DEPENDENCY

The Minimum Foundation Program formula adopted by the State Board of Elementary and Secondary Education (BESE) and approved by the State Legislature determines the cost of a minimum foundation program of education in all public elementary and secondary schools and helps to allocate the funds equitably to parish, city and other local school systems.

Funding through the Minimum Foundation Program is essentially in the form of a block grant from the State to the local school systems. Revenues received by the State are from sales tax revenues, ad valorem taxes, and other sources which are allocated to each school based on its enrollment and other student characteristics. The School averaged 379 and 442 students enrolled for the school years ended June 30, 2021 and 2020, respectively. The School recognized revenue under this grant of \$3,926,927 or 66% and \$4,594,083, which is 83% of total revenue for the years ended June 30, 2021 and 2020.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 8. PAYCHECK PROTECTION PROGRAM LOAN

The Organization received loan proceeds in the amount of \$774,200 under the Paycheck Protection Program (“PPP”) for the year ended June 30, 2020. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business.

The loan and associated accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period.

The Organization completed an application to the Small Business Administration (SBA) for complete forgiveness of the initial PPP loan of \$774,200 as well as any accrued interest. As anticipated, the SBA forgave the initial loan amount and all accrued interest prior to year-end and it is presented as a Gain from PPP loan extinguishment.

NOTE 9. SCHOOL OPERATIONS/LEASEHOLD INTEREST

The School has a lease with the Recovery School District to use the facilities and its contents located at 727 Carondelet Street, New Orleans, Louisiana. The lease agreement coincides with the term of the charter contract and its extensions that are granted by the Louisiana Board of Elementary and Secondary Education.

Upon the School’s successful completion of the Third-Year Evaluation, the RSD issued a new lease agreement for four years and shall terminate on June 30, 2025. 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.

Use of the property is not recorded as an in-kind contribution from the Recovery School District and related rent expense. The value of the use of the land and building is not readily determinable. The agreement is classified as an exchange transaction because both parties receive significant value from this arrangement. Accordingly, the present value of the benefit to be received in future years has not been recorded.

NOTE 10. LIQUIDITY AND AVAILABILITY OF RESOURCES

The School had the following financial assets available within one year of the statement of financial position date of June 30, 2021 and 2020 for general expenditures.

VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 10. LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,144,810	\$ 1,464,886
Grant receivables	82,245	92,367
	<u>\$ 1,227,055</u>	<u>\$ 1,557,253</u>

Financial assets available to meet cash needs for general expenditures within one year. The financial assets are subject to contractual restrictions, however, they are available for general school program and management and general expenditures within one year of the statement of financial position. The School has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. As described in Note 3, the School also has a line of credit in the amount of \$400,000, which it could draw upon in the event of an unanticipated liquidity need.

NOTE 11. COMPENSATION

The Board of Directors serves the Organization without compensation.

NOTE 12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2021, the date which the financial statements were available for use. Management's evaluation revealed no subsequent events that require adjustment to or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

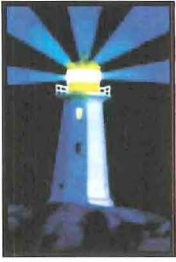
VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO THE HEAD OF SCHOOL
FOR THE YEAR ENDED JUNE 30, 2021**

Agency Head Name: Sean Wilson, Head of School

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 191,917
Benefits-insurance	7,126
Benefits- Social Security/Medicare/ LA SUTA	11,472
Benefits-retirement	5,758
	<u>\$ 216,273</u>

OTHER AUDITOR'S REPORTS



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JAMES L. WHITE, C.P.A.

**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 Directors
Voices for International Business and Education
d.b.a. The International High School of New Orleans
New Orleans, Louisiana

We have audited, in accordance with the 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, the financial statements of Voices for International Business and Education (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Voices for International Business and Education's internal control over financial reporting (internal control) as a basis for designing 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 Voices for International Business and Education's internal control. Accordingly, we do not express an opinion on the effectiveness of Voices for International Business and Education'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 entity'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 material weaknesses 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 Voices for International Business and Education's financial statements are free from 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.

This report is intended for the information of the Board of Directors, management, the State of Louisiana, the Legislative Auditor for the State of Louisiana, Federal Awarding Agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
December 22, 2021

**VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEARS ENDED JUNE 30, 2021**

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Voices for International Business and Education, which was prepared in accordance with generally accepted accounting principles.
2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Voices for International Business and Education were disclosed in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.
4. No significant deficiencies or material weaknesses relating to internal control over major federal award programs disclosed during the audit are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. No management letter was issued for the year ended June 30, 2021.
6. The auditor's report on compliance for the major federal award programs Voices for International Business and Education expresses an unmodified opinion on all major federal programs.
7. The threshold for distinguishing Types A and B programs was \$750,000.
8. Voices for International Business and Education was determined to be a high-risk auditee.

FINDINGS-FINANCIAL STATEMENTS

There were no findings related to the financial statements noted during the audit for the year ended June 30, 2021.

FINDINGS-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

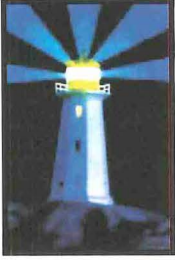
There were no findings related to major federal award programs during the audit for the year ended June 30, 2021.

REPORT BY MANAGEMENT

**VOICES FOR INTERNATIONAL BUSINESS AND EDUCATION
SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2021**

There were no prior year findings.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED
UPON PROCEDURES**



AGREED-UPON PROCEDURES REPORT
ON CHARTER SCHOOL PERFORMANCE MEASURES
Voices for International Business and Education

Independent Accountant's Report
On Applying Agreed-Upon Procedures

To Voices for International Business and Education, the Louisiana Department of Education, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Voices for International Business and Education (the Charter 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 Charter School for the fiscal year ended June 30, 2021; 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 Charter 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.

The procedures and associated findings are as follows:

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

1. We selected a 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 the schedule:

- Total General Fund Instructional Expenditures
- Total General Fund Equipment Expenditures
- Total Local Taxation Revenue
- Total Local Earnings on Investment in Real Property
- Total State Revenue in Lieu of Taxes
- Nonpublic Textbook Revenue
- Nonpublic Transportation Revenue

There were no differences noted.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

There were no differences noted.

Education Levels of Public School Staff (NO SCHEDULE)

3. We obtained October 1st 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/listing 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.

There were no differences noted.

Public School Staff Data: Average Salaries (NO SCHEDULE)

1. We obtained June 30th 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 data/listing was complete. We then 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).

There were no differences noted.

This agreed-upon procedures engagement was performed 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 were 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 Charter School, as required by Louisiana Revised Statute 24:514.I, 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.

Bernard & Franks

Metairie, Louisiana
December 22, 2021

SCHEDULES REQUIRED BY THE STATE OF LOUISIANA
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
New Orleans, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2021**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 1,673,922	
Other Instructional Staff Activities	260,588	
Instructional Staff Employee Benefits	497,230	
Purchased Professional and Technical Services	266,251	
Instructional Materials and Supplies	87,961	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 2,785,952
Other Instructional Activities		14,419
Pupil Support Activities	452,240	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	\$ 452,240
Instructional Staff Services	663,697	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	\$ 663,697
School Administration		
Less: Equipment for School Administration	1,362,980	
Net School Administration	-	\$ 1,362,980
Total General Fund Instructional Expenditures (Total Column B)		\$ 5,279,288
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		\$ -

VOICES OF INTERNATIONAL BUSINESS AND EDUCATION
New Orleans, Louisiana

Class Size Characteristics
As of October 1, 2020

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary								
Elementary Activity Classes								
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High	72%	163	23%	52	4%	9	0%	1
High Activity Classes	56%	10	33%	6	6%	1	6%	1
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.

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Charter Schools)

_____ (Date Transmitted)

Bernard & Franks CPAs (CPA Firm Name)

4141 Veterans Memorial Blvd. (CPA Firm Address)

Metairie, LA 70002 (City, State Zip)

In connection with your audit of our financial statements as of 06/30/2021 and for July 1, 2020 through June 30, 2021 (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of _____ (date completed/date of the representations).

PART I. SCHOOL PROFILE

1. Name and address of the charter school.

**Voices of International Business Education – International High School of New Orleans
727 Carondelet St.
New Orleans, LA 70113**

2. List names, addresses, and telephone numbers of school officials. Include members of the governing board, chief executive and fiscal officer, and legal counsel.

See Attachment

3. Period of time covered by this questionnaire.

July 1 2020 – June 30, 2021

4. Identify the charter school type and the parties to the charter.

Type 2

5. Briefly describe the public services provided.

The School's mission is to educate and nurture a diverse learning community through the International Baccalaureate Programme, world languages, and intercultural appreciation to succeed in the global economy.

6. Identify the expiration date of current charter.

June 30, 2025

LEGAL COMPLIANCE

PART II. ADMINISTRATION

7. It is true that no member of the governing or management board has received any compensation other than reimbursement of actual expenses incurred while fulfilling duties as a member of such board [R.S. 17:3991(A)(1)(b)]. **YES**
8. All members of the governing board and all school administrators meet the qualifications prescribed by the charter school agreement [R.S. 17.3991(B)(10)]. **YES**
9. Our actual management and accounting practices comply with those prescribed by the charter agreement [R.S. 17.3991(B)(16)]. **YES**
10. It is true that the school has maintained the types and amounts of insurance coverage specified by the charter agreement [R.S. 17.3991(B)(18)]. **YES**
11. The school is not affiliated with any religion or religious organization or institution [R.S. 17:3991(E)(1)]. **YES**

PART III. STUDENT ADMISSIONS

12. Student admission requirements, if any, include a system for appropriate admission decisions and the requirements have been applied on a consistent basis [R.S. 17:3991(B)(3)]. **YES**
13. It is true that all students reside within the jurisdiction of the school as described in the charter agreement [R.S. 17:3991(C)(1)(a)]. **YES**
14. The student application period is not less than one month nor more than three months [R.S. 17:3991(C)(1)(b)]. **YES**
15. No students, other than those enrolled in the preexisting school, if applicable, or those who attended the charter school in its previous year of operation, or the siblings of students who attended the charter school in its previous year of operation have been given preferential admission or have been admitted during the application period [R.S. 17:3991(C)(1)(c)(i) through (iii)]. **YES**

PART IV. INSTRUCTIONAL STAFF

16. The charter school has employed instructional staff who have at least a baccalaureate degree and who are subject to all provisions of state law relative to background checks applicable to the employment of public school personnel [R.S. 17: 17:3991(C)(6)]. **YES**

PART V FIXED ASSETS

17. Yes, as a Type 4 charter school, if applicable, we have maintained records of fixed assets that clearly identify those assets belonging to the local school board [R.S. 17:3991(H)]. **N/A**
18. Yes, as a Type 1, Type 2, Type 3, Type 3B, or Type 5 charter school, if applicable, we have maintained records of fixed assets that clearly identify those assets acquired with public funds, which, if the school ceases to operate, become the property of the chartering authority [R.S. 17:3991(H)].
YES

19. The charter school, regardless of type, has maintained records of fixed assets that clearly identify those assets which were acquired with private funds, and which remain the property of the nonprofit organization [R.S. 17:3991(H)]. **YES**

PART VI COUNT OF STUDENTS

20. It is true that the student count reported to the local school board or the Louisiana Department of Education, as applicable, represents the actual number of eligible students enrolled in the charter school as of October 1 of the funding year [R.S. 17:3995(A)(1)]. **YES**

PART VII OPEN MEETINGS LAW

21. We have complied with the laws pertaining to open and public meetings (R.S. 42:11 through 42:28). **YES**

PART VIII PUBLIC RECORDS ACT

22. It is true that we have complied with the laws pertaining to public records (R.S. 44:1 through 44:39). **YES**

PART IX PUBLIC BID LAW

23. It is true that we obtained bids for any erection, construction, alteration, improvement, or repair of a public facility or immovable property (R.S. 38:2211 through 38:2259). **N/A**

PART X CODE OF ETHICS LAW FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

24. It is true that no employees or member of the governing or management board have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124. **YES**
25. It is true that no member of the immediate family of any member of the governing or management board of the charter school has been employed by the charter school under circumstances that would constitute a violation of R.S. 42:1119, except as applies to any person employed by the charter school prior to August 15, 2003. **NO**

PART XI STATE AUDIT LAW

26. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.. **YES**
27. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law). **YES**

PART XII GENERAL

28. It is true that the actual operations of the school agree with those specified in its approved charter (See Charter). **YES**

PART XIII ISSUERS OF MUNICIPAL SECURITIES

29. It is true that we have complied with the requirements of R.S. 39:1438.C.

N/A

PART XIV REPORTING

30. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

YES

31. We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

YES

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, the Louisiana Department of Education, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

Percy Manson
Percy Manson (Dec 22, 2021 19:19 CST)

Secretary Dec 22, 2021 Date

Karen Mayer Dwyer
Karen Mayer Dwyer (Dec 22, 2021 20:07 CST)

Treasurer Dec 22, 2021 Date

Shontell Thomas
Shontell Thomas (Dec 24, 2021 21:50 CST)

President Dec 24, 2021 Date