

**ARISE SCHOOLS**  
COMBINING FINANCIAL STATEMENTS  
For the Year Ended June 30, 2020

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
ARISE Schools  
New Orleans, Louisiana

### *Report on the Financial Statements*

We have audited the accompanying combining financial statements of ARISE Schools (a nonprofit organization), which comprise the combining statement of financial position as of June 30, 2020, and the related combining statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combining financial statements.

### *Management's Responsibility for the Combining Financial Statements*

Management is responsible for the preparation and fair presentation of these combining 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 combining 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 combining 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 combining financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combining financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combining financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combining 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 evaluating the overall presentation of the combining 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 combining financial statements referred to above present fairly, in all material respects, the financial position of ARISE Schools as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the combining financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to the agency head, the combining statement of financial position, the combining statement of activities and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the combining 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 combining financial statements. The information has been subjected to the auditing procedures applied in the audit of the combining financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combining financial statements or to the combining 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 combining 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 21, 2020 on our consideration of ARISE Schools' 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 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 ARISE Schools' internal control over financial reporting and compliance.

*Hienz & Macaluso, LLP*  
Metairie, Louisiana  
December 21, 2020

**ARISE SCHOOLS**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2020**

**ASSETS**

Current Assets:	
Cash and cash equivalents	\$ 2,399,867
Grant receivables	1,069,329
Other receivables	6,804
Prepaid expenses	<u>82,428</u>
Total current assets	<u>3,558,428</u>
Property and Equipment:	
Bus fleet	491,854
Leasehold improvements	133,092
Office and classroom equipment	26,123
Less: accumulated depreciation	<u>(564,588)</u>
Total property & equipment, net	<u>86,481</u>
Total assets	<u>3,644,909</u>

**LIABILITIES AND NET ASSETS**

Current Liabilities:	
Accounts payable and accrued expenses	316,164
Long-term debt	<u>656,538</u>
Total current liabilities	<u>972,702</u>
Long -term debt - noncurrent	<u>826,850</u>
Total liabilities	<u>1,799,552</u>
Net Assets:	
Without Donor Restrictions	<u>1,845,357</u>
Total net assets	<u>1,845,357</u>
Total liabilities and net assets	<u>\$ 3,644,909</u>

**ARISE SCHOOLS**  
**COMBINING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Revenues:	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
State public school funding	\$ 11,263,025	\$ -	\$ 11,263,025
Federal grants	2,893,741	-	2,893,741
Donations and contributions	118,236	-	118,236
Interest income	4,283	-	4,283
Net assets released from restrictions:			
Time and purpose restrictions satisfied	<u>-</u>	<u>-</u>	<u>-</u>
 Total revenues	 <u>14,279,285</u>	 <u>-</u>	 <u>14,279,285</u>
 Program services:			
Regular educational programs	4,748,210	-	4,748,210
Special educational programs	1,910,266	-	1,910,266
Other instructional programs	465,202	-	465,202
Pupil support services	724,513	-	724,513
Instructional staff services	1,060,546	-	1,060,546
School administration	1,853,959	-	1,853,959
Student transportation services	796,523	-	796,523
Operation and maintenance of plant services	863,418	-	863,418
Food service operations	723,332	-	723,332
Management and general:			
Business administration	142,131	-	142,131
Central services	74,732	-	74,732
General administration	299,623	-	299,623
Other use of funds	<u>310,934</u>	<u>-</u>	<u>310,934</u>
 Total expenses	 <u>13,973,389</u>	 <u>-</u>	 <u>13,973,389</u>
 Change in net assets	 305,896	 -	 305,896
 Net assets, beginning of year	 <u>1,539,461</u>	 <u>-</u>	 <u>1,539,461</u>
 Net assets, end of year	 <u>\$ 1,845,357</u>	 <u>\$ -</u>	 <u>\$ 1,845,357</u>

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

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

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>	<u>Total Expenses</u>
	<u>Instructional</u>	<u>Management and General</u>	
<b>Expenses:</b>			
Salaries	\$ 7,120,786	\$ 201,453	\$ 7,322,239
Retirement	169,700	3,967	173,667
Other Employee Benefits	719,526	8,786	728,312
Payroll Taxes	551,213	7,714	558,927
Legal	854	-	854
Other Services	1,619,596	115,969	1,735,565
Advertising	-	15,592	15,592
Travel	20,975	1,620	22,595
Interest	-	-	-
Depreciation	24,464	-	24,464
Insurance	69,232	155,665	224,897
Supplies	1,042,956	4,270	1,047,226
Food Service Management	362,607	-	362,607
Bus Service	431,391	-	431,391
Dues and Fees	328,513	-	328,513
Purchased Property Services	351,515	312,384	663,899
Other Expenses	332,641	-	332,641
	<u>\$ 13,145,969</u>	<u>\$ 827,420</u>	<u>\$ 13,973,389</u>

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

**ARISE SCHOOLS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$ 305,896
Adjustments to reconcile change in net assets to to net cash used by operating activities:	
Depreciation	24,464
Increase in grant receivable	(487,764)
Increase in other receivable	(2,686)
Decrease in prepaid expense	110,139
Decrease in accounts payable and accrued expenses	<u>(35,889)</u>
Net cash used by operating activities	<u>(85,840)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchase of property and equipment	<u>(81,725)</u>
Net cash used by investing activities	<u>(81,725)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Proceeds from notes payable	<u>1,483,388</u>
Net cash provided by financing activities	<u>1,483,388</u>

Net increase in cash and cash equivalents 1,315,823

Cash and cash equivalents, beginning of year 1,084,044

Cash and cash equivalents, end of year \$ 2,399,867

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



**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

***Organization***

ARISE Schools ("ARISE") (a nonprofit organization) was incorporated in the fall of 2008 for the purpose of operating a charter school in New Orleans, Louisiana. ARISE was created to offer extended academic time, rigorous college preparatory curriculum and instruction in a foreign language to all students daily. The State Board of Elementary and Secondary Education ("BESE") granted ARISE a Type 5 charter to operate ARISE Academy ("AA"). Effective July 1, 2019, AA became a Type 3B charter under the jurisdiction of the Orleans Parish School Board.

On December 5, 2012, BESE granted ARISE an additional Type 5 charter to operate Mildred Osborne Charter School ("MOCS") beginning on July 1, 2013. Effective July 1, 2018, MOCS became a Type 3B charter under the jurisdiction of the Orleans Parish School Board.

***Basis of Accounting***

The combining financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

***Basis of Presentation***

ARISE follows the provisions of Not-For-Profit Entities Topic of Financial Accounting Standards Boards Accounting Standards Codification 958, which establishes external financial reporting for not-for-profit organizations which includes classification of resources into two separate classes of net assets, as follows:

- Net assets without donor restrictions – limited only by the broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws and limits resulting from contractual agreements with suppliers, creditors, and others entered into by the organization in the course of its business.
- Net assets with donor restrictions – net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or programmatic purposes specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. At June 30, 2020, there were no net assets with donor restrictions.

***Estimates***

The preparation of combining financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts could differ from those estimates.

***Cash and Cash Equivalents***

For the purpose of the combining statements of cash flows, ARISE considers all unrestricted highly-liquid investments with an initial maturity of less than three months as cash and cash equivalents.

**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

*Receivables*

Grants and other receivables are stated at the amount management expects to collect from balances outstanding at year-end. Management closely monitors outstanding balances and writes-off any balances that are deemed uncollectible and; therefore, does not record an allowance for doubtful accounts.

*Property and Equipment*

Property and equipment are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated property and equipment is recorded at fair value as of the date received. ARISE maintains a capitalization threshold of \$5,000 for furniture and equipment, land, and leasehold improvements, or any one item costing under \$5,000 alone but purchased in a group for over \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported property and equipment except land are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Leasehold improvements - life of lease or 5 years, whichever is greater  
Office and classroom equipment 5-7 years  
Vehicles 4 years

For the year ended June 30, 2020, depreciation expense was \$24,464.

Assets acquired with Louisiana Department of Education (“DOE”) or Orleans Parish School Board (“OPSB”) funds are owned by ARISE while used in the purpose for which it was purchased. These entities; however, have a reversionary interest in these assets. Should the charter not be renewed, title in any assets purchased with those funds will transfer to the appropriate agency.

*Public Support and Revenue*

ARISE utilizes the guidance in Accounting Standards Update (“ASU”) 2018-08 in the assessment of whether revenue is an exchange transaction (contract) or contribution (non-contract) and considers factors including commensurate value received, reciprocity, and donor-imposed conditions.

Revenues from federal and state grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized when ARISE has met the performance requirements and/or incurred expenditures in compliance with certain grant provisions. Amounts received prior to incurring qualified expenditures are reported as refundable advances in the combining statement of financial position. ARISE recognized as revenue all funds related to these grants during the year ended June 30, 2020.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

***Public Support and Revenue (continued)***

All contributions are considered to be available for use without restriction unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combining statements of activities as net assets released from restrictions.

***Income Tax Status***

ARISE is a Louisiana nonprofit organization under Section 509 (a) (3) of the Internal Revenue Code that has been granted an exemption from the payment of income taxes under Section 501 (c) (3) and has been determined to be other than a private foundation. ARISE's management believes that ARISE continues to operate in a manner that preserves its tax-exempt status.

On January 1, 2009, ARISE adopted Financial Accounting Standards Board standard relating to the accounting for uncertainty in income taxes. The tax effect from an uncertain tax position can be recognized in the combining financial statements, only if the position is more likely than not to be sustained on audit, based on the technical merits of the position. ARISE recognizes the combining financial statement benefits of a tax position only after determining that the relevant tax authority would be more likely than not to sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the combining financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized, upon ultimate settlement with the relevant tax authority. At the adoption date, ARISE applied the new accounting standard to all tax positions for which the statute of limitations remained open. ARISE did not make any adjustment to beginning net assets as a result of the implementation of the accounting standard.

Based on its evaluation, ARISE has concluded that there are no significant uncertain tax positions requiring recognition in its combining financial statements. ARISE is no longer subject to U.S. federal income tax examinations by the Internal Revenue Service ("the IRS") for the years before 2016. As of the date of this report, an extension has been filed for the 2019 Form 990, which is for the fiscal year ended June 30, 2020.

***Recently Issued Accounting Standards***

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. ARISE has adopted the provisions of ASU No. 2018-08 effective July 1, 2019. The implementation of this new standard did not have a material impact on the measurement or recognition of revenue.

**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 CONCENTRATIONS:**

ARISE maintains its cash balances at various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution for the year ending June 30, 2020. At times during the year, the ARISE's balances may exceed the FDIC insured amount.

For the year ended June 30, 2020, ARISE received 99% of its total revenues from Federal and State grantors.

**NOTE 3 RETIREMENT PLAN:**

Employees of ARISE are eligible to participate in the defined contribution plan administered by ARISE. The Plan is a 403(b) defined contribution plan. Employees are allowed to make contributions during the year subject to limitations imposed by the IRS. ARISE provides an employer matching contribution of up to 3% of the employee's salary. For the year ended June 30, 2020, ARISE made employer contributions of \$173,667.

**NOTE 4 COMPENSATED ABSENCES:**

**School-Based Employees:**

All school-based employees are granted seventy-two (72) hours paid time off (PTO) at the beginning of each year. These days are to be used in case of illness, to handle personal affairs, or for any other personal reason an employee needs a day off. If an employee starts after the beginning of the school year, personal leave/sick days are pro-rated. Unused balances, if any, are forfeited upon employee termination and at the conclusion of the fiscal year.

**School Support Center Employees:**

School support center employees work throughout the year and observe the school holidays. All full time ARISE employees will receive a total of seventy-two (72) hours PTO (a combination of vacation time, sick time, and personal holiday time) per year. Unused balances, if any, are forfeited upon employee termination and at the conclusion of the fiscal year.

**NOTE 5 LEASE AGREEMENTS:**

On February 27, 2015, ARISE, entered into a lease agreement with RSD for the use of the renovated school facilities. The lease term commenced on February 27, 2015 and was to remain effective until the earlier of (1) five years from the date of commencement or (2) the last day of the term of the Charter School Contract. The new lease set forth monthly rent payments of \$92,497 commencing on July 1, 2015 and on the first day of each month thereafter during the terms of the lease.

Effective July 1, 2020, ARISE entered into a new lease agreement with the Orleans Parish School Board (OPSB) for the use of the facilities. The lease will terminate on July 31, 2021 and in consideration of the use of the facilities, ARISE will pay OPSB a Use Fee and participate in OPSB's Per Pupil Unit Cost Program. The Use Fee shall be the per pupil share of the actual costs of property, boiler and machinery, terrorism, disaster management and flood insurance of all OPSB controlled school facilities participating in the Unit Cost Program, including any insurance brokerage fee, unrelated to recovery of capital costs or depreciation that would be recovered in a traditional lease relationship.

**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 5 LEASE AGREEMENTS (continued):**

ARISE is entitled to receive monies through their local revenue allocation to partially offset the costs of the rent payments. For the year ended June 30, 2020, ARISE received \$427,052 through the local revenue allocation to partially offset the cost of the rental payments. For the year ended June 30, 2020, rental expense net of the allocation was \$310,934.

During the year ended June 30, 2018, ARISE entered into a new lease with OPSB for the use of the Mildred Osborne Charter School Building. The lease term was effective beginning July 1, 2018 and expires on June 30, 2021. As defined in the lease agreement, ARISE pays a use fee and participates in OPSB's Per Pupil Unit Cost Program for the use of MOCS. For the year ended June 30, 2020, the annualized use fee deduction of \$67,005 is calculated per the student count on February 1, 2019 at a rate of \$124.66 per pupil.

At June 30, 2020, ARISE has entered into four (4) operating leases for the rental of ten (10) copiers. Terms on the leases are forty-eight (48) months. For the year ended June 30, 2020, rental payments under these leases were \$28,850.

Future minimum commitments under the operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 29,493
2022	31,743
2023	30,647
2024	27,359
2025	<u>2,251</u>
	<u>\$ 121,493</u>

**NOTE 6 CONTINGENCIES:**

State Funding - The continuation of ARISE is contingent upon legislative appropriation or allocation of funds necessary to fulfill the requirements of the charter contract with the Orleans Parish School Board. 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 total 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 7 AVAILABILITY AND LIQUIDITY:**

At June 30, 2020, ARISE has financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of the following:

**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

NOTE 7 AVAILABILITY AND LIQUIDITY (continued):

Cash and cash equivalents	\$ 2,399,867
Grant receivables	1,069,329
Other receivables	6,804
	<u>\$ 3,476,000</u>

None of the financial assets above are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. ARISE's objective is to maintain liquid financial assets without donor restrictions sufficient to cover 60 days of operating expenses. ARISE regularly monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources of ARISE. In addition, ARISE operates with a budget and monitors sources and uses of funds throughout the year by comparing budget to actual operating expenses.

NOTE 8 FUNCTIONAL EXPENSES:

As required by FASB Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) — Presentation of Financial Statements of Not-for-Profit Entities, ARISE has presented a combining statement of functional expenses as part of its financial statements. Any costs related to activities that constitute direct conduct or direct supervision of program services are classified as program expenses. Any costs related to administration are functionally classified as supporting service expenses. The financial statements of ARISE report certain categories of expenses that are attributable to more than one program or supporting function. The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Salaries and employee benefits have been allocated based on time and effort. Other services, travel, insurance, supplies and purchased property services have been allocated based on actual expenses.

NOTE 9 – LONG-TERM DEBT:

On April 10, 2020, ARISE entered into a U.S. Small Business Administration (SBA) Payroll Protection Program (PPP) loan with Hope Federal Credit Union in the amount of \$1,483,388. The loan bears interest at a rate of 1% per annum, with the first six months deferred, has a term of two years, and is unsecured and guaranteed by the SBA.

The principal amount of the PPP loan is subject to forgiveness to the extent that the PPP loan proceeds are used to pay expenses permitted by the PPP. To the extent that all or part of the PPP loan is not forgiven, the School will be required to pay interest at a rate of 1% per annum, and commencing in October 2020 principal and interest payments will be required through the maturity date in April 2022. The terms of the PPP loan provide for customary events of default including, among other things, payment defaults, breach of representations and warranties, and insolvency events. The PPP loan may be accelerated upon the occurrence of an event of default, representations and warranties, and insolvency events. The PPP loan may be accelerated upon the occurrence of an event of default.

**ARISE SCHOOLS**  
**NOTES TO COMBINING FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

NOTE 10 DATE OF MANAGEMENT'S REVIEW:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 21, 2020, and determined that other than the matter discussed below, there were no other events that occurred that require additional disclosure. No events after this date have been evaluated for inclusion in the financial statements.

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic. The COVID-19 pandemic has negatively impacted the global and domestic economy and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic on ARISE's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on ARISE's donors, students, employees and vendors, all of which are uncertain and cannot be predicted.

**SUPPLEMENTARY INFORMATION**



**ARISE SCHOOLS  
SCHEDULE OF COMPENSATION, BENEFITS  
AND OTHER PAYMENTS TO THE AGENCY HEAD  
FOR THE YEAR ENDED JUNE 30, 2020**

Agency Head Name:

Kiril Johnson	Executive Director of Finance and Operations
Krista Patrick-Brown	Executive Director of ARISE Academy
Jolene Galpin	Executive Director of Mildred Osborne Charter Schools

<u>Purpose</u>	<u>Johnson</u>	<u>Brown</u>	<u>Galpin</u>
Salary	\$ 127,050	\$ 123,900	126,290
FICA	9,468	9,145	9,264
Health insurance	5,333	6,698	11,063
Retirement	3,811	3,252	3,789
Reimbursed expenses	<u>1,679</u>	<u>-</u>	<u>17</u>
Total	<u>\$ 147,341</u>	<u>\$ 142,995</u>	<u>\$ 150,423</u>

See the accompanying independent auditor's report.

**ARISE SCHOOLS**  
**COMBINING SCHEDULE OF FINANCIAL POSITION**  
**JUNE 30, 2020**

	ARISE	CMO	MOCS	Interfund Eliminations	Total
Assets:					
Current Assets:					
Cash and cash equivalents	\$ 1,149,148	\$ 142,937	\$ 1,107,782	\$ -	\$ 2,399,867
Grant receivables	598,567	37,602	433,160	-	1,069,329
Other receivables	6,496	-	308	-	6,804
Due from other entity	255,556	126,264	498,889	(880,709)	-
Prepaid expenses	57,916	-	24,512	-	82,428
Total current assets	<u>2,067,683</u>	<u>306,803</u>	<u>2,064,651</u>	<u>(880,709)</u>	<u>3,558,428</u>
Property and Equipment:					
Office and classroom equipment	20,023	-	6,100	-	26,123
Bus fleet	245,927	-	245,927	-	491,854
Leasehold improvements	-	-	133,092	-	133,092
Less: accumulated depreciation	(265,950)	-	(298,638)	-	(564,588)
Total property & equipment, net	<u>-</u>	<u>-</u>	<u>86,481</u>	<u>-</u>	<u>86,481</u>
Total assets	<u>2,067,683</u>	<u>306,803</u>	<u>2,151,132</u>	<u>(880,709)</u>	<u>3,644,909</u>
Liabilities and Net Assets:					
Current Liabilities:					
Accounts payable and accrued expenses	92,481	8,592	215,091	-	316,164
Due to other entity	546,151	197,095	137,463	(880,709)	-
Long-term debt	328,269	-	328,269	-	656,538
Total current liabilities	<u>966,901</u>	<u>205,687</u>	<u>680,823</u>	<u>(880,709)</u>	<u>972,702</u>
Long-term debt - noncurrent	413,425	-	413,425	-	826,850
Total liabilities	<u>1,380,326</u>	<u>205,687</u>	<u>1,094,248</u>	<u>(880,709)</u>	<u>1,799,552</u>
Net Assets:					
Without Donor Restrictions	687,357	101,116	1,056,884	-	1,845,357
With Donor Restrictions	-	-	-	-	-
Total net assets	<u>687,357</u>	<u>101,116</u>	<u>1,056,884</u>	<u>-</u>	<u>1,845,357</u>
Total liabilities and net assets	<u>\$ 2,067,683</u>	<u>\$ 306,803</u>	<u>\$ 2,151,132</u>	<u>\$ -</u>	<u>\$ 3,644,909</u>

See the accompanying independent auditor's report.

**ARISE SCHOOLS**  
**COMBINING SCHEDULE OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	AA			CMO	MOCS			Interfund Eliminations	Combined Totals
	Without Donor	With Donor	Total		Without Donor	With Donor	Total		
	Restrictions	Restrictions			Restrictions	Restrictions			
State public school funding	\$ 5,522,998	\$ -	\$ 5,522,998	\$ -	\$ 5,740,027	\$ -	\$ 5,740,027	\$ -	\$ 11,263,025
Federal grants	1,401,574	-	1,401,574	62,430	1,429,737	-	1,429,737	-	2,893,741
Donations and contributions	40,587	-	40,587	386,603	71,046	-	71,046	(380,000)	118,236
Interest income	2,138	-	2,138	-	2,145	-	2,145	-	4,283
Net assets released from restrictions:									
Time and purpose restrictions satisfied	-	-	-	-	-	-	-	-	-
Total revenues	6,967,297	-	6,967,297	449,033	7,242,955	-	7,242,955	(380,000)	14,279,285
Program services:									
Regular educational programs	2,192,252	-	2,192,252	-	2,555,958	-	2,555,958	-	4,748,210
Special educational programs	947,693	-	947,693	-	962,573	-	962,573	-	1,910,266
Other instructional programs	220,065	-	220,065	-	245,137	-	245,137	-	465,202
Pupil support services	319,412	-	319,412	3,402	401,699	-	401,699	-	724,513
Instructional staff services	394,986	-	394,986	76,727	588,833	-	588,833	-	1,060,546
School administration	1,040,029	-	1,040,029	280,085	913,845	-	913,845	(380,000)	1,853,959
Student transportation services	398,688	-	398,688	234	397,601	-	397,601	-	796,523
Operation and maintenance									
of plant services	407,237	-	407,237	-	456,181	-	456,181	-	863,418
Food service operations	362,607	-	362,607	-	360,725	-	360,725	-	723,332
Management and general:									
Business administration	24,588	-	24,588	93,809	23,734	-	23,734	-	142,131
Central services	31,884	-	31,884	14,578	28,270	-	28,270	-	74,732
General administration	240,249	-	240,249	12,642	46,732	-	46,732	-	299,623
Other Use of Funds	310,934	-	310,934	-	-	-	-	-	310,934
Total expenses	6,890,624	-	6,890,624	481,477	6,981,288	-	6,981,288	(380,000)	13,973,389
Change in Net Assets	76,673	-	76,673	(32,444)	261,667	-	261,667	-	305,896
Net Assets, Beginning of Period	610,684	-	610,684	133,560	795,217	-	795,217	-	1,539,461
Net Assets, End of Period	687,357	-	687,357	101,116	1,056,884	-	1,056,884	-	1,845,357

See the accompanying independent auditor's report.



**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  
ARISE Schools  
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 combining financial statements of ARISE Schools (the “Organization”) (a nonprofit organization), which comprise the combining statement of financial position as of June 30, 2020, and the related combining statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combining financial statements, and have issued our report thereon dated December 21, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the combining financial statements, we considered ARISE Schools’ 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 combining financial statements, but not for the purpose of expressing an opinion on the effectiveness of ARISE Schools’ internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 combining 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 ARISE Schools' combining 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 combining 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 entity'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 entity's internal control and compliance. Accordingly, this communication 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.

*Hienz & Macaluso, LLP*  
Metairie, Louisiana  
December 21, 2020



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
ARISE Schools  
New Orleans, LA

**Report on Compliance for Each Major Federal Program**

We have audited ARISE Schools' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of ARISE Schools' major federal programs for the year ended June 30, 2020. ARISE Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statues, regulations, and terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of ARISE Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 ARISE Schools' 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 on compliance for each major federal program. However, our audit does not provide a legal determination of ARISE Schools' compliance.

***Opinion on Each Major Federal Program***

In our opinion, ARISE Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## **Report on Internal Control Over Compliance**

Management of ARISE Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered ARISE Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of ARISE Schools' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. 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.

*Pienez & Macatuso, LLP*  
Metairie, Louisiana  
December 21, 2020

**ARISE SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures (\$)</i>
United States Department of Agriculture			
<b>Child Nutrition Cluster</b>			
School Breakfast Program	10.553	LA Dept of Education	\$ 288,374
Total School Breakfast Program			<u>288,374</u>
National School Lunch Program	10.555	LA Dept of Education	542,171
Total National School Lunch Program			<u>542,171</u>
<i>Total United States Department of Agriculture</i>			
<b>Total Child Nutrition Cluster-Cluster</b>			<u>830,545</u>
United States Department of Education			
<b>Special Education Cluster (IDEA)-Cluster</b>			
Special Education Grants to States	84.027	LA Dept of Education	271,056
Total Special Education Grants to States			<u>271,056</u>
Special Education Preschool Grants	84.173	LA Dept of Education	7,943
Total Special Education Preschool Grants			<u>7,943</u>
<i>Total United States Department of Education</i>			
<b>Total Special Education Cluster (IDEA)-Cluster</b>			<u>278,999</u>
<b>Other Programs</b>			
United States Department of Education			
Title I Grants to Local Educational Agencies	84.010	LA Dept of Education	850,808
Total Title I Grants to Local Educational Agencies			<u>850,808</u>
Twenty-First Community Learning Centers	84.287	LA Dept of Education	375,798
Total Twenty-First Community Learning Centers			<u>375,798</u>
English Language Acquisition Grants	84.365	LA Dept of Education	1,729
Total English Language Acquisition Grants			<u>1,729</u>
Improving Teacher Quality State Grants	84.367	LA Dept of Education	48,465
Total Improving Teacher Quality State Grants			<u>48,465</u>
Striving Readers/Comprehensive Literacy Development	84.371	LA Dept of Education	399,658
Total Striving Readers/Comprehensive Literacy			<u>399,658</u>
Student Support and Academic Enrichment Program	84.424	LA Dept of Education	58,069
Total Student Support and Academic Enrichment Program			<u>58,069</u>
<i>Total U.S. Department of Education</i>			
			<u>1,734,527</u>
United States Department of Agriculture			
Child and Adult Care Food Program	10.558	LA Dept of Education	28,728
Total Child and Adult Care Food Program			<u>28,728</u>
Fresh Fruit and Vegetable Program	10.582	LA Dept of Education	20,942
Total Fresh Fruit and Vegetable Program			<u>20,942</u>
<i>Total United States Department of Agriculture</i>			
			<u>49,670</u>
<b>Total Other Programs</b>			<u>1,784,197</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 2,893,741</u>

The accompanying notes are an integral part of this schedule.

See the accompanying independent auditor's report.



**ARISE SCHOOLS**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**NOTE A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of ARISE Schools under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of ARISE Schools, it is not intended to and does not present the financial position, changes in net assets, or cash flows of ARISE Schools.

**NOTE B – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE C – Relationship to Financial Statements**

Federal awards are included in federal grants in the statement of activities for the year ended June 30, 2020.

**NOTE D – De Minimis Cost Rate**

During the year ended June 30, 2020, ARISE Schools did not elect to use the 10% De Minimis cost rate covered in §200.414 of the Uniform Guidance.

**ARISE SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**A. Summary of Auditor's Results**

1. The auditor's report expresses an unmodified opinion on the combining financial statements of ARISE Schools.
2. No control deficiencies were disclosed during the audit of the combining financial statements of ARISE Schools.
3. No instances of noncompliance material to the combining financial statements of ARISE Schools were disclosed during the audit.
4. No control deficiencies relating to internal control over major federal award programs are reported on the *Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*.
5. The auditor's report on compliance for the major federal programs for ARISE Schools expresses an unqualified opinion on all major federal programs.
6. The audit disclosed no findings which are required to be reported by the Uniform Guidance.
7. The programs tested as a major programs include:

	<u>CFDA Number</u>
Title I Grants to Local Educational Agencies	84.010
21 <sup>st</sup> Century Community Learning Centers	84.287
8. The threshold for distinguishing Type A and Type B Programs was \$750,000.
9. ARISE Schools was determined to be a low-risk auditee.

**B. Financial Statement Findings under *Government Auditing Standards***

There were no combining financial statement findings under *Government Auditing Standards* for the fiscal year ended June 30, 2020.

**C. Federal Award Findings and Questioned Costs**

There were no federal award findings or questioned costs for the fiscal year ended June 30, 2020.

**D. Management Letter**

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

**ARISE SCHOOLS.**  
**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

*Section I – Internal Control and Compliance Material to Combining Financial Statements*

No findings.

*Section II – Internal Control and Compliance Material to Federal Awards*

No findings.

*Section III – Management Letter*

Not applicable.

R.S. 24:514 I – PERFORMANCE AND STATISTICAL DATA AGREED-UPON  
PROCEDURES



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

To the Board of Directors  
ARISE Schools  
New Orleans, Louisiana

We have performed the procedures enumerated below, which were agreed to by ARISE Schools (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) Bulletin 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 findings related to the following schedules are as follows:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on Schedule 1:
  - 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

No exceptions were 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 sample of 10 classes to the October 1 roll books for those classes and observed that the class was properly classified on the schedule.

No exceptions were noted.

### **Education Levels/Experience 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.

No exceptions were noted.

### **Public School Staff Data: Average Salaries (NO SCHEDULE)**

4. 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).

No exceptions were 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 School, as required by Louisiana Revised Statue 24:514.L, 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.

*Hienz & Macaluso, LLP*

Metairie, Louisiana

December 21, 2020

**ARISE Schools**  
**New Orleans, Louisiana**

**Schedule 1**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2020**

	<b>Column A</b>	<b>Column B</b>
<b><u>General Fund Instructional and Equipment Expenditures</u></b>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$3,913,364	
Other Instructional Staff Activities	305,137	
Instructional Staff Employee Benefits	863,752	
Purchased Professional and Technical Services	668,029	
Instructional Materials and Supplies	345,790	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$6,096,072
Other Instructional Activities		171,064
Pupil Support Activities	748,739	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	748,739
Instructional Staff Services	299,586	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	299,586
School Administration	1,584,074	
Less: Equipment for School Administration	-	
Net School Administration	-	1,584,074
Total General Fund Instructional Expenditures (Total of Column B)		<u>\$8,899,535</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>\$ 18,211</u>
<b><u>Certain Local Revenue Sources</u></b>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ -
Renewable Ad Valorem Tax		-
Debt Service Ad Valorem Tax		-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		-
Sales and Use Taxes		-
Total Local Taxation Revenue		<u>\$ -</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ -
Earnings from Other Real Property		-
Total Local Earnings on Investment in Real Property		<u>\$ -</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$ -
Revenue Sharing - Other Taxes		-
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		<u>\$ -</u>
Nonpublic Textbook Revenue		<u>\$ -</u>
Nonpublic Transportation Revenue		<u>\$ -</u>

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



**Class Size Characteristics**  
**As of October 1, 2019**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	35.6%	103	41.2%	119	23.2%	67	0.0%	0
Elementary Activity Classes	10.4%	5	60.4%	29	29.2%	14	0.0%	0
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High								
High Activity Classes								
Combination								
Combination Activity Classes								