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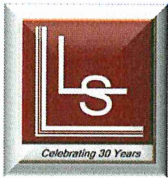
**LIVING SCHOOL, INC.**

**FINANCIAL STATEMENTS**  
**WITH INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Living School, Inc.  
New Orleans, Louisiana

We have audited the accompanying financial statements of Living School, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

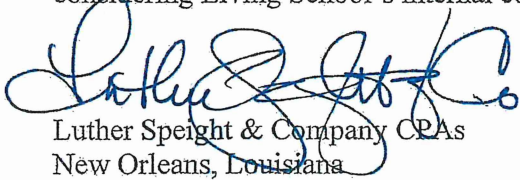
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Living School, Inc. as of June 30, 2021, 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2022 on our consideration of Living School Inc.'s internal control over financial reporting and on our test 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 Living School's internal control over financial reporting and compliance.



Luther Speight & Company CPAs  
New Orleans, Louisiana  
February 22, 2022

**LIVING SCHOOL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2021**

**ASSETS**

Current Assets	
Cash and Cash Equivalents	308,358
Grants Receivables	298,918
Prepaid Expenses	12,160
Deposits	16,247
Property and Equipment, Net	8,050
<b>TOTAL ASSETS</b>	<u><u>\$ 643,733</u></u>

**LIABILITIES**

Accounts Payable	71,825
Payroll Liabilities	12,031
<b>TOTAL LIABILITIES</b>	<u>83,856</u>

**NET ASSETS**

Without Donor Restrictions	559,877
<b>TOTAL NET ASSETS</b>	<u>559,877</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 643,733</u></u>
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The accompanying notes are an integral part of these financial statements.

**LIVING SCHOOL, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
State and Local Minimum Foundation Program	\$ 1,160,776	\$ -	\$ 1,160,776
Grant Revenue	446,822	-	446,822
Contributions	391,062	-	391,062
PPP Loan Forgiveness	108,400	-	108,400
Miscellaneous Revenue	18,666	-	18,666
<b>TOTAL SUPPORT AND REVENUE</b>	<u>2,125,726</u>	<u>-</u>	<u>2,125,726</u>
<b>EXPENSES</b>			
Program Services	1,400,771	-	1,400,771
Management and General	375,393	-	375,393
<b>TOTAL EXPENSES</b>	<u>1,776,164</u>	<u>-</u>	<u>1,776,164</u>
Change in Net Assets	349,562	-	349,562
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>210,315</u>	<u>-</u>	<u>210,315</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>\$ 559,877</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 559,877</u></u>

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

**LIVING SCHOOL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Program Services</b>	<b>Management and General</b>	<b>Total</b>
Salaries	\$ 526,624	\$ 166,606	\$ 693,230
Fringe Benefits	118,483	36,973	155,456
Advertising Expense	10,026	106	10,132
Communications	5,115	20,678	25,793
Custodial Services	23,294	5,823	29,117
Depreciation	725	181	906
Dues and Fees	-	23,835	23,835
Equipment Rental	4,867	917	5,784
Food Expense	8,636	146	8,782
Food Services	-	5,671	5,671
Insurance	11,459	2,865	14,324
Materials and Supplies	40,030	9,011	49,041
Office and Education Supplies	34,151	1,757	35,908
Other Purchased Services	12,621	8,045	20,666
Professional Services	205,386	30,958	236,344
Purchased Educational Services	60,215	-	60,215
Rent Expense	92,859	23,215	116,074
Repairs & Maintenance	71,858	17,965	89,823
Software and Technology	29,558	11,688	41,246
Transportation	109,981	232	110,213
Utilities	34,883	8,721	43,604
	<u>34,883</u>	<u>8,721</u>	<u>43,604</u>
 Total Expenses	 <u>\$ 1,400,771</u>	 <u>\$ 375,393</u>	 <u>\$ 1,776,164</u>

The accompanying notes are an integral part of the financial statements

**LIVING SCHOOL, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

<b>Cash Flows from Operating Activities</b>	
Change in Net Assets	\$ 349,562
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	906
Net Changes in Assets and Liabilities:	
Increase in Receivables	(229,211)
Increase in Prepaid Expenses	(9,213)
Increase in Accounts Payable	5,647
Increase in Payroll Liabilities	2,322
Total Adjustments	<u>(229,549)</u>
Net Cash Provided by Operating Activities	120,013
<b>Cash Flows from Investing Activities</b>	
Purchases of Property and Equipment	<u>(8,956)</u>
Net Cash Used by Investing Activities	<u>(8,956)</u>
<b>Cash Flows from Financing Activities</b>	
Forgiveness of PPP Loan	<u>(108,400)</u>
Net Cash Used by Financing Activities	<u>(108,400)</u>
Net Increase in Cash and Cash Equivalents	2,657
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>305,701</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$ 308,358</u></u>

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



**LIVING SCHOOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Organization

Living School, Inc. (the School) is public high school in New Orleans East. The School entered into a Charter School Operating agreement with the Orleans Parish School Board (OPSB) beginning July 1, 2019, whereby the School would operate as a Type 1 charter school as defined in Louisiana Revised Statute 17:3971. The Charter Agreement has a term of five years, expiring on June 30, 2024. During the year ended June 30, 2021, the School served grades 9 through 11. The School's goal was to add one grade each year until they are a fully built-out high school with no more than 80 students per grade. The School's mission is to cultivate equity by nurturing students to do work that improves their lives, communities, and environment through holistic health, citizenship, and entrepreneurship. The School is designed to help every student graduate with both a college-ready diploma, a trade certification, a living-wage job offer, and the habits of a healthy life.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-210, *Not-For-Profit Entities*. Under ASC 958-210, the School may report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Below is a description of the two classes of net assets:

- *Net Assets Without Donor Restrictions* – Net assets without donor restrictions include funds that are not subject to donor-imposed restrictions. As of June 30, 2021, all of the School's net assets were in this category.
  
- *Net Assets With Donor Restrictions* – Net assets with donor restrictions include funds that are 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 other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, 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. As of June 30, 2021, the School had no net assets with donor restrictions.

**LIVING SCHOOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Use of Estimates

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

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the School considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.

Grants Receivable

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

Property and Equipment

Expenditures for the acquisition of furniture and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. The School's threshold for capitalization is \$5,000. Management will review every purchase over this amount to determine if it is worthy of capitalization. Depreciation is computed using the straight-line method for financial reporting purposes over the following estimated useful lives:

Furniture	5 – 7 years
Equipment	3 – 5 years

For the year ended June 30, 2021, the School had Equipment of \$8,956 with accumulated depreciation of \$906. Depreciation expense for the year ended June 30, 2021 was \$906.

Concentration of Credit

The School maintains cash accounts with one Credit Union. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) by up to \$250,000 per financial institution for the year ended June 30, 2021. At times, the balance may exceed the federally insured amount. At June 30, 2021, the School's cash balances exceeded the FDIC limit by \$87,334. The School has not obtained pledged collateral to cover the uninsured portion. Management does not believe they are at high risk due to the reputation of the Credit Union.

**LIVING SCHOOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted based on the time spent on each program.

Income Taxes

The School is a not-for-profit organization that is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code and classified by the Internal Revenue Services as other than a private foundation. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the year ending June 30, 2021 is subject to examination by the IRS, generally for three years after they were filed.

Revenue Recognition

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as revenue with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Conditional contributions are recognized when the barriers to entitlement are overcome and the promises become unconditional. Unconditional contributions are recognized as revenue when received. Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award. Exchange transactions are reimbursed based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

**LIVING SCHOOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Recent Accounting Pronouncements

In 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which is intended to improve financial reporting on leasing transactions. ASU No. 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. ASU No. 2016-02 must be applied modified retrospectively. On June 3, 2020, FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* that extended the effective date for certain entities, including the Organization, to annual periods beginning after December 15, 2021. The School is currently evaluating the effects of this ASU.

**NOTE 2 – GRANTS RECEIVABLE**

Grants receivable are deemed to be fully collectible by management and were comprised of a \$284,184 receivable from the State of Louisiana and a \$14,735 receivable from a local source as of June 30, 2021. Total outstanding grants receivable at June 30, 2021 is \$298,918.

**NOTE 3 – COMPENSATED ABSENCES**

Per School policy, vacation and sick time does not roll over from year to year. Therefore, management has determined that an accrual for compensated absences is not necessary at June 30, 2021.

**NOTE 4 – RETIREMENT PLAN**

The School sponsors a 403(b) plan for all eligible employees. Eligible employees are vested upon completing one (1) month of service with the School. Eligible employees may contribute up to the maximum allowed by the Internal Revenue Service (IRS). The School makes an unconditional 3% contribution of the eligible employee's compensation. The School's retirement contributions for the year ended June 30, 2021 totaled \$27,809.

**LIVING SCHOOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 5 – GRANT REVENUE**

The School is the recipient of several federal awards that are passed down through state agencies. Included in federal grant revenue are funds disbursed from several funding sources to provide funds for the implementation of various programs within the School. In addition, the School is the recipient of grant awards from local organizations to assist with the start-up and operations of the school. Federal and local grant revenues are as follows:

<b><u>Grantor:</u></b>	<b><u>Amount</u></b>
State of Louisiana	\$ 285,885
Louisiana Department of Education	35,454
Louisiana Department of Revenue	88,689
Cox Business	5,184
YouthForce NOLA	14,735
<b>Total Grant Revenue</b>	<b><u>\$ 429,947</u></b>

**NOTE 6 – COMMITMENTS**

Lease Commitments

The School leases the building in which the school operates. The lease is for 31 months, beginning on December 31, 2018 and terminating on June 30, 2021. The lease agreement automatically extends for an additional year unless otherwise canceled or amended. The monthly rent payment is \$10,000, with a \$1,000 increase starting July 1, 2021. Future obligations under the operating lease agreement is as follows at June 30, 2021:

2022	\$ 132,000
Total	<u>\$ 132,000</u>

**NOTE 7 – CONCENTRATIONS**

For the year ended June 30, 2021, the School received approximately 21% of its total revenue from federal and local grants and 55% of its total revenue from the State and Local Minimum Foundation Program.

**LIVING SCHOOL, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and Cash Equivalents	\$ 308,358
Accounts Receivable	<u>282,043</u>
	<u>\$ 590,401</u>

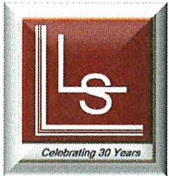
**NOTE 9 - COVID-19 GLOBAL PANDEMIC**

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) spread across multiple countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions to the Organization’s operations and the ability for the Organization’s employees to perform their tasks.

During the year ended June 30, 2020, the School obtained \$108,400 in financing from the Small Business Administration through the Coronavirus Aid Relief and Economic Security Act (CARES) and the school applied for loan forgiveness, which is allowed per the agreement. During the year ended June 30, 2021, the loan was forgiven and recorded as PPP Loan Forgiveness revenue in the Statement of Activities.

**NOTE 10 – SUBSEQUENT EVENTS**

Management evaluated subsequent events as of February 22, 2022, which is the date these financial statements were available to be issued. Management has noted that there are no additional disclosures or adjustments to these financial statements required.



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**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 of  
Living School, Inc.  
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 Living School, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 22, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Living School Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Living School Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Living School Inc.'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 Living School Inc.’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 organization’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 organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "Luther Speight & Company CPAs", is written over the printed text of the signature block.

Luther Speight & Company CPAs  
New Orleans, Louisiana  
February 22, 2022



**LIVING SCHOOL, INC.**  
**SUMMARY OF AUDITOR'S RESULTS**  
**JUNE 30, 2021**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

An unmodified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weaknesses identified?                     yes     no

Significant deficiencies identified

not considered to be material weaknesses?     yes     no

Noncompliance material to financial statements noted?     yes     no

**Federal Awards**

Living School, Inc. did not receive federal awards in excess of \$750,000 during the year ended June 30, 2021, and, therefore, is exempt from the audit requirements under the Uniform Guidance.

**No Separate Management Letter Issued**

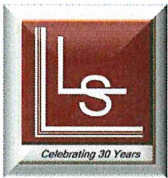
**LIVING SCHOOL, INC.**  
**Schedule of Findings and Management Responses**  
**JUNE 30, 2021**

We noted no findings during the year ended June 30, 2021.

**LIVING SCHOOL, INC.**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD(S)**  
**FOR THE YEARS ENDED**  
**JUNE 30, 2021**

**Agency Head:** Stefin Pasternak, School Leader

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 62,222
Severance	-
Benefits- Insurance	4,692
Benefits- Retirement	1,858
Benefits- Medicare	810
Benefits - Worker's Comp	-
Benefits- Unemployment	-
Cell Phone and iPad Dues	-
Uniforms	-
Per Diem	-
Travel	-
Reimbursements	3,750
Fuel Usage	-
Conference Travel	-
Continuing Professional Education Fees	-
Housing	-
Unvouchered Expenses	-
Special Meals	-



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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES - PERFORMANCE AND STATISTICAL DATA**

To the Board of Directors of Living School, Inc., the Louisiana Department of Education, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Living School, Inc. (the School) for the fiscal year ended June 30, 2021; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the the School is responsible for its performance and statistical data.

The School has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements. Additionally, the Louisiana Department of Education and the Louisiana Legislative Auditor have agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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

**Findings:** Based upon our examination of the supporting documentation, we noted no exceptions in our sample.

### **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.

**Findings:** Based upon our examination of the supporting documents, we noted no exceptions in our sample.

### **Education Levels/Experience of Public School Staff (NO SCHEDULE)**

3. We obtained October 1<sup>st</sup> 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 13 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.

**Findings:** Based upon our examination of the supporting documents, we noted no exceptions in our sample.

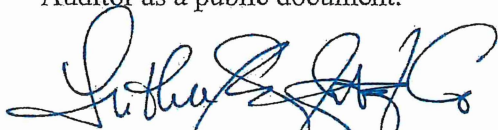
### **Public School Staff Data: Average Salaries (NO SCHEDULE)**

4. We obtained June 30<sup>th</sup> 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 12 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).

**Findings:** Based upon our examination of the supporting documents, we noted no exceptions in our sample.

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 Living School, Inc., 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.



Luther Speight & Company CPAs  
New Orleans, Louisiana  
February 22, 2022

**Living School, Inc.**  
**New Orleans, Louisiana**  
**Schedules Required by State Law**  
**(R.S. 24:514 – Performance and Statistical Data)**  
**As of and for the Year Ended June 30, 2021**

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

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**Schedule 2 (Formerly Schedule 6) Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

**LIVING SCHOOL, INC.**  
**General Fund Instructional and Support Expenditures**  
**and Certain Local Revenue Sources**  
**For the Year Ended June 30, 2021**  
**Schedule 1**

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	113,766	
Other Instructional Staff Activities	48,575	
Instructional Staff Employee Benefits	96,406	
Purchased Professional and Technical Services	140,692	
Instructional Materials and Supplies	62,891	
Instructional Equipment	97,439	
Total Teacher and Student Interaction Activities		559,769
Other Instructional Activities		-
Pupil Support Activities	220,486	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		220,486
Instructional Staff Services	62,539	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		62,539
School Administration		
Less: Equipment for School Administration	223,714	
Net School Administration	-	223,714
Total General Fund Instructional Expenditures (Total of Column B)		1,066,508
Total General Fund Equipment Expenditures		97,439

**Certain Local Revenue Sources**

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	\$	-
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	\$	-
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	\$	-
Nonpublic Textbook Revenue	\$	-
Nonpublic Transportation Revenue	\$	-

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



**LIVING SCHOOL, INC.**  
**Class Size Characteristics**  
**For the Year Ended June 30, 2021**  
**Schedule 2**

School Type	Class Size Range (as of August 5, 2021)							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	0%	-	0%	-	0%	-	0%	-
Elementary Activity Classes	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High Activity Classes	0%	-	0%	-	0%	-	0%	-
High	56%	15	22%	6	22%	6	0%	-
High Activity Classes	0%	-	0%	-	0%	-	100%	1
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

**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.