

International School of Louisiana

FINANCIAL STATEMENTS

June 30, 2020 and 2019



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International School of Louisiana
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June 30, 2020 and 2019

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INDEPENDENT AUDITORS' REPORT

Board of Directors
International School of Louisiana
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of International School of Louisiana (a nonprofit organization) (the School), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 audits 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 auditors' 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 auditors consider internal control relevant to the School'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 School'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 School as of June 30, 2020 and 2019 and the changes in its net assets, functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the schedule of agency head compensation are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the School's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

Metairie, Louisiana
December 23, 2020

International School of Louisiana
Statements of Financial Position

June 30,	2020	2019
Assets		
Current assets		
Cash and cash equivalents	\$ 5,164,101	\$ 3,596,442
Restricted cash	77,953	78,907
Certificates of deposit	8,185,058	6,017,698
Receivables	612,839	311,908
Prepaid expenses	163,697	-
Total current assets	14,203,648	10,004,955
Property and equipment		
Leasehold improvements	1,615,168	1,589,930
Furniture and equipment	698,402	698,402
Vehicles	30,526	30,526
Accumulated depreciation	(2,309,112)	(2,297,946)
Total property and equipment, net	34,984	20,912
Restricted investments - endowment fund	15,613	15,613
Deposits	18,855	18,855
Total other assets	34,468	34,468
Total assets	\$ 14,273,100	\$ 10,060,335

(Continued)

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

**International School of Louisiana
Statements of Financial Position**

<i>June 30,</i>	2020	2019
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 177,125	\$ 142,887
Accrued salaries and related expenses	525,239	499,001
Total current liabilities	702,364	641,888
Net assets		
Without donor restriction	13,477,170	9,343,562
With donor restriction	93,566	74,885
Total net assets	13,570,736	9,418,447
Total liabilities and net assets	\$ 14,273,100	\$ 10,060,335

(Concluded)

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

International School of Louisiana
Statement of Activities

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2020 Total
Revenue and Other Support			
Minimum Foundation Program	\$ 14,296,060	\$ -	\$ 14,296,060
Grants			
Federal sources	1,351,252	-	1,351,252
State sources	51,887	-	51,887
Local sources	15,000	-	15,000
Student fees and field trips	156,692	18,389	175,081
Food services	140,146	-	140,146
Fundraising	21,578	-	21,578
Donations and contributions	9,019	-	9,019
Miscellaneous income	36,534	-	36,534
PPP loan revenue	2,071,400	-	2,071,400
Interest income	188,953	292	189,245
Net assets released from restrictions	-	-	-
Total revenue and other support	18,338,521	18,681	18,357,202
Expenses			
Program services	12,307,486	-	12,307,486
Supporting services			
Administrative	1,897,427	-	1,897,427
Total expenses	14,204,913	-	14,204,913
Change in Net Assets	4,133,608	18,681	4,152,289
Net assets at beginning of year	9,343,562	74,885	9,418,447
Net assets at end of year	\$ 13,477,170	\$ 93,566	\$ 13,570,736

The accompanying notes are an integral part of this financial statement.

International School of Louisiana
Statement of Activities

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2019 Total
Revenue and Other Support			
Minimum Foundation Program	\$ 13,832,318	\$ -	\$ 13,832,318
Grants			
Federal sources	1,139,150	-	1,139,150
State sources	29,288	-	29,288
Local sources	38,641	-	38,641
Student fees and field trips	209,547	-	209,547
Food services	149,685	-	149,685
Fundraising	60,822	-	60,822
Donations and contributions	9,160	-	9,160
Miscellaneous income	70,946	564	71,510
Investment gain	-	9	9
Net assets released from restrictions	9	(9)	-
Total revenue and other support	15,539,566	564	15,540,130
Expenses			
Program services	11,915,027	-	11,915,027
Supporting services			
Administrative	1,825,157	-	1,825,157
Total expense	13,740,184	-	13,740,184
Change in Net Assets	1,799,382	564	1,799,946
Net assets at beginning of year	7,544,180	74,321	7,618,501
Net assets at end of year	\$ 9,343,562	\$ 74,885	\$ 9,418,447

The accompanying notes are an integral part of this financial statement.

International School of Louisiana
Statement of Functional Expenses

<i>For the year ended June 30,</i>	Program Expenses	Administrative Expenses	Total 2020
Salaries and wages	\$ 8,010,077	\$ 1,124,230	\$ 9,134,307
Employee benefits	1,192,033	167,304	1,359,337
Payroll taxes	569,810	79,974	649,784
Accounting and audit	-	44,700	44,700
Advertising	2,372	13,032	15,404
Communications	32,627	18,436	51,063
Depreciation	11,166	-	11,166
Dues and fees	61,151	16,225	77,376
Equipment	1,816	-	1,816
Food and related expenses	192,432	430	192,862
Insurance	229,394	37,922	267,316
Legal fees	16,597	3,618	20,215
Materials and supplies	543,708	38,447	582,155
Miscellaneous	98,656	18,153	116,809
Occupancy	483,489	25,895	509,384
Professional services	441,197	289,861	731,058
Repairs and maintenance	147,076	18,867	165,943
Student transportation	273,473	-	273,473
Travel	412	333	745
	\$ 12,307,486	\$ 1,897,427	\$ 14,204,913

The accompanying notes are an integral part of this financial statement.

International School of Louisiana
Statement of Functional Expenses

<i>For the year ended June 30,</i>	Program Expenses	Administrative Expenses	Total 2019
Salaries and wages	\$ 7,531,168	\$ 1,087,036	\$ 8,618,204
Employee benefits	975,471	124,316	1,099,787
Payroll taxes	564,375	77,191	641,566
Accounting and audit	-	45,600	45,600
Advertising	7,007	20,899	27,906
Communications	36,261	19,388	55,649
Depreciation	44,356	-	44,356
Dues and fees	59,775	62,928	122,703
Equipment	25,212	1,451	26,663
Food and related expenses	231,159	-	231,159
Insurance	200,051	33,505	233,556
Legal fees	13,445	1,839	15,284
Materials and supplies	454,601	50,182	504,783
Miscellaneous	122,409	20,980	143,389
Occupancy	472,201	16,421	488,622
Professional services	360,671	233,493	594,164
Repairs and maintenance	417,501	4,399	421,900
Student transportation	374,368	-	374,368
Travel	24,996	25,529	50,525
	\$ 11,915,027	\$ 1,825,157	\$ 13,740,184

The accompanying notes are an integral part of this financial statement.

International School of Louisiana
Statements of Cash Flows

<i>For the years ended June 30,</i>	2020	2019
Operating Activities		
Changes in net assets	\$ 4,152,289	\$ 1,799,946
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	11,166	44,356
Changes in operating assets and liabilities:		
Receivables	(300,931)	(22,547)
Prepaid expenses	(163,697)	24,500
Deposits	-	(16,170)
Accounts payable	34,238	104,451
Accrued salaries and related expenses	26,238	35,274
Deferred revenue	-	(500)
Net cash provided by (used in) operating activities	3,759,303	1,969,310
Investing Activities		
Purchases of property and equipment	(25,238)	-
Purchases of certificates of deposit	(2,167,360)	(6,000,266)
Net cash provided by (used in) investing activities	(2,192,598)	(6,000,266)
Financing Activities		
Principal payments on capital leases	-	(10,585)
Net cash provided by (used in) financing activities	-	(10,585)
Net change in cash and cash equivalents and restricted cash	1,566,705	(4,041,541)
Cash and cash equivalents and restricted cash at beginning of year	3,675,349	7,716,890
Cash and cash equivalents and restricted cash at end of year	\$ 5,242,054	\$ 3,675,349
RECONCILIATION TO STATEMENTS OF FINANCIAL POSITION		
Cash and cash equivalents	\$ 5,164,101	\$ 3,596,442
Restricted cash	77,953	78,907
Total cash and cash equivalents and restricted cash	\$ 5,242,054	\$ 3,675,349

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

Note 1: DESCRIPTION OF THE ORGANIZATION

International School of Louisiana (the School) was incorporated on December 31, 1999. The School operates schools in Orleans Parish. It is the first multi-language immersion school chartered by the State of Louisiana. From their first day of school, students are taught core academic subjects in either French or Spanish. At the School, children learn a second language naturally, through everyday conversation and classroom instruction.

The State Board of Elementary and Secondary Education (BESE) approved a charter to the School effective March 20, 2000 to operate Type 2 Charter Schools, as defined in LA- R.S. 17:3991 for the Orleans Parish Schools. These charters expire in June 2025. As of July 1, 2017, the charters were amended to add the Dixon Campus.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent 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

Cash, which is held in interest bearing accounts, consisted of with and without donor restrictions. Without donor restriction cash balances represent cash available for general operating purposes.

For the purpose of the statements of cash flows, the School considers all highly liquid investments available for current use with a maturity of three months or less to be cash equivalents.

International School of Louisiana
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents (Continued)

The School maintains its cash balances in a single financial institution located in New Orleans, Louisiana. These balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2020 and 2019, the uninsured portion of this balance was \$4,997,973 and \$3,607,628. The School has not experienced any losses in such accounts and Management does not believe the School is exposed to significant risk.

Certificates of Deposit

Certificates of deposit are held at a local bank. Certificates of deposit total \$8,185,058 and \$6,017,698 at June 30, 2020 and 2019, respectively. Initial maturities at purchase of these certificates ranged from 6 months to 1 year, with penalties for early withdrawal. At June 30, 2020, and 2019, the interest rates were 0.75% and 2.52%, respectively, with interest paid periodically on a monthly basis.

Accounts Receivable

Receivables consisted of the unpaid balance as of year-end for State and Federal awards. Grants are billed to the awarding agency based on expenses incurred on a reimbursement basis. Receivables are stated at the amount management expects to collect from outstanding balances. There was no allowance for doubtful accounts as of June 30, 2020 and 2019.

Property and Equipment

Additions to property and equipment are capitalized in accordance with the Louisiana Accounting and Uniform Governmental Handbook, which requires the School to capitalize equipment purchases with a cost greater than \$5,000 and a useful life greater than one year.

Depreciation is provided utilizing the straight-line method over estimated useful lives of the asset as follows:

Leasehold improvements	life of related lease or 5 years, whichever is less
Furniture and equipment	5 - 10 years
Vehicles	5 years

Depreciation expense was \$11,166 and \$44,356 for the years ended June 30, 2020 and 2019, respectively.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-Lived Assets

The School reviews long-lived assets, consisting of property and equipment and cost in excess of net income acquired, for impairment and determines whether an event or change in facts and circumstances indicates that their carrying amount may not be recoverable.

The School determines recoverability of the assets by comparing the carrying value of the asset to net future undiscounted cash flows that the asset is expected to generate. The impairment recognized is the amount by which the carrying amount exceeds the fair market value of the asset. There were no asset impairments recorded during 2020 or 2019.

Compensated Absences

The School's policy states that compensated absences (personal time-off and paid time-off) is not paid upon termination, therefore, it is not accrued at year-end.

Net Assets

The School reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the School, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Revenue Recognition

The School's primary source of funding is through the Minimum Foundation Program (MFP) funded by the State Public School Fund and the OPSB. For the years ended June 30, 2020 and 2019, the School averaged 1,401 and 1,395, respectively, students enrolled for the school year and recognized revenue under this grant of \$14,296,060 and \$13,832,318, respectively.

The School recognizes MFP, donations, and contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until the conditions on which they depend have been met.

A portion of the School's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the School has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

Revenue With and Without Donor Restriction

Donations that are restricted by the donor are reported as increases in revenue without donor restriction if the restrictions expire (that is, a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted donations are reported as increases in revenue with donor restriction, depending on the nature of the restriction.

When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction. As of June 30, 2020, net assets with donor restriction consisted of \$15,613 for facility repairs, \$59,564 for playground equipment, and \$18,389 for student activities. As of June 30, 2019, net assets with donor restriction consisted of \$15,613 for facility repairs and \$59,272 for playground equipment. Facility repairs funds are restricted in perpetuity (see Note 4). Playground equipment funds and student activity funds are restricted for specific use.

PPP Loan/PPP Loan Forgiveness

On April 14, 2020 the School received a loan in the amount of \$2,071,400 under the Paycheck Protection Program (PPP) pursuant to the CARES Act and administered by the U.S. Small Business Administration (the SBA). (See Note 9).

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PPP Loan/PPP Loan Forgiveness (Continued)

The School is recognizing revenue from the PPP loan following the guidance under FASB ASC 958-605, government grant model. PPP loan funds are considered a conditional contribution and recorded as a refundable advance on the statement of financial position until the barriers to entitlement are met. The School considers the barriers to entitlement to include the incurrence of qualifying expenses and maintaining specified levels of payroll and employment to be conditions to recognize the PPP loan as revenue. Revenue is recognized once conditions have been substantially met or explicitly waived. The School believes it has substantially met all of the conditions for loan forgiveness and has recognized the funding as revenue during the year ended June 30, 2020.

In-Kind Support

The School records the in-kind value of goods and services contributed to support various activities as support and related expenses. For the years ended June 30, 2020 and 2019, the School did not receive in-kind goods or services that were significant in amount.

Concentrations

The School received 78% and 89% of its revenues for the years ended June 30, 2020 and 2019, respectively, from the State of Louisiana, subject to its Charter School Contract with the State. The School also received 7% of its funding each year from federal sources passed through the State for the years ended June 30, 2020 and 2019.

Functional Expenses

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

Advertising

The School expenses all advertising costs as incurred that are not direct-response. For the years ended June 30, 2020 and 2019, the School incurred and expensed advertising costs of \$15,404 and \$27,906, respectively. There was no direct-response advertising done for the years ended June 30, 2020 and 2019.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The School is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The School believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 23, 2020, and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Adopted Accounting Pronouncements

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. ASU 2016-18 provides guidance on the classification and presentation of changes in restricted cash on the statement of cash flows. The ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts general described as restricted cash or restricted cash equivalents. Amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The ASU is effective for fiscal year-ending June 30, 2020, but early adoption is permitted. On July 1, 2019 the School applied the provisions of this ASU on a modified retrospective basis. There was no impact to the School from the adoption of this standard.

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*. The amendments in this update should assist entities in (1) evaluating 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 transactions in which the School serves as a resource recipient for the fiscal year ending June 30, 2020. The School has adopted this ASU in the current year. On July 1, 2019 the School applied the provisions of this ASU on a modified retrospective basis. There was no impact to the School from the adoption of this standard.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry specific guidance and requires expanded disclosures about revenue recognition to enable financial statement users to understand the nature, timing, amount, and uncertainty of revenue and cash flows arising from contracts with customers. On June 3, 2020, FASB issued ASU 2020-05 effectively delaying required implementation of the new revenue recognition standard to annual period beginning after December 31, 2019. The School elected not to early adopt the provisions of ASU 2014-09 for the year ended June 30, 2020. The School is currently evaluating the impact of this ASU on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. On June 3, 2020, FASB issued ASU 2020-05 effectively delaying required implementation of the lease standard to annual period beginning after December 15, 2021. The School elected not to early adopt the provisions of ASU 2016-02 for the year ended June 30, 2020. The School is currently evaluating the impact of this ASU on its financial statements.

Note 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As of June 30, 2020, the School has \$14,039,951 of financial assets available within one year of the balance sheet date consisting of cash of \$5,164,101, grants and other receivables of \$612,839, and certificates of deposit of \$8,185,058. Financial assets of \$77,953 are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The School has a goal to maintain financial assets, consisting of cash on hand, to meet 30 days of operating expenses. Management estimates 60 days of operating expenses to be \$2,372,000 and believes it has appropriate available financial resources as of June 30, 2020.

International School of Louisiana
Notes to Financial Statements

Note 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (Continued)

As of June 30, 2019, the School has \$10,004,955 of financial assets available within one year of the balance sheet date consisting of cash of \$3,675,349, grants and other receivables of \$311,908, and certificates of deposit of \$6,017,698. Financial assets of \$78,907 are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The School has a goal to maintain financial assets, consisting of cash on hand, to meet 30 days of operating expenses. Management estimates 60 days of operating expenses to be \$2,277,655 and believes it has appropriate available financial resources as of June 30, 2019.

As part of its liquidity management, the School maintains certificates of deposit at a local bank which pays interest on the balances maintained.

Note 4: RESTRICTED INVESTMENTS

The School established an endowment fund resulting from an agreement with The Richard West Freeman Foundation. The initial contribution of \$15,613 is permanently restricted and any earnings, net of expenses, will be temporarily restricted for further repairs. As of June 30, 2020 and 2019, there was no temporarily restricted cash related to the endowment fund.

As of June 30, 2020 and 2019, the School had investments as follows:

	2020	2019
Mutual funds - endowment fund	\$ 15,613	\$ 15,613
Total Investments	\$ 15,613	\$ 15,613

Investment income consisted of the following for the years ended June 30, 2020 and 2019:

	2020	2019
Mutual funds - endowment fund		
Interest and dividends	\$ 777	\$ 953
Realized and unrealized (loss)/gain	(595)	(944)
Total return on investments	\$ 182	\$ 9

Note 5: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2020 and 2019.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the School are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the School are deemed to be actively traded.

International School of Louisiana
Notes to Financial Statements

Note 5: FAIR VALUE MEASUREMENTS (Continued)

Assets and liabilities measured at fair value on a recurring basis, are summarized for the years ended June 30, 2020 and 2019:

Description	Total Assets Measured At Fair Value	Quoted Prices In Active Markets (level 1)	Other Observable Inputs (level 2)	Unobservable Inputs (level 3)
As of June 30, 2020				
Endowment fund	\$ 15,613	\$ 15,613	\$ -	\$ -
Total	\$ 15,613	\$ 15,613	\$ -	\$ -
As of June 30, 2019				
Endowment fund	\$ 15,613	\$ 15,613	\$ -	\$ -
Total	\$ 15,613	\$ 15,613	\$ -	\$ -

Note 6: RETIREMENT PLAN

The School offers a defined contribution plan covering all employees upon the completion of 30 days of service with the School. Funding of the plan is derived from two sources. The School contributes 6% of all covered employees' salaries annually. The employees also have the option to contribute up to the maximum as permitted under section 403(b) of the Internal Revenue Code to the plan through a payroll deduction at no expense to the School. Retirement expense was \$439,734 and \$397,831 for the years ended June 30, 2020 and 2019, respectively.

Note 7: LEASES AND USE AGREEMENTS

Westbank Campus

For the years ended June 30, 2020 and 2019, the School has a lease agreement that expires in June 2026 for its Algiers campus located in New Orleans, Louisiana. The School is responsible for all repairs, maintenance and utilities for occupancy.

International School of Louisiana
Notes to Financial Statements

Note 7: LEASES AND USE AGREEMENTS (Continued)

Westbank Campus (Continued)

The minimum lease payments for the Algiers campus are as follows for the years ending June 30,

2021	\$	120,340
2022		131,280
2023		131,280
2024		131,280
2025		131,280
2026		131,280
Total	\$	776,740

The School is responsible for all necessary maintenance to ensure that all facilities comply with all state and local health and safety standards and other applicable laws, regulations and rules. There is no stated rent paid for the use of these properties nor is use of the properties recorded as an in-kind contribution and related rent expense since the value of the use of the land and buildings is not readily determinable. The agreements are classified as exchange transactions because all parties receive significant value from these arrangements. Accordingly, the present value of the benefit to be received in future years has not been recorded.

Uptown Campus

On July 1, 2018 the School entered into a lease agreement with the Orleans Parish School Board (OPSB) for the use of facilities and its contents at its Uptown location. This lease expires on June 30, 2021. The School agrees to pay OPSB a Use Fee and participate in OPSB's Per Pupil Unit Cost Program (Unit Cost Program). The Use Fee shall be the per pupil share of the actual costs of the 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.

Dixon Campus

On July 1, 2017 the School entered into a lease agreement with the Orleans Parish School Board (OPSB) for the use of facilities and its contents at its Dixon location. This lease expires on June 30, 2021. The School agrees to pay OPSB a Use Fee and participate in OPSB's Per Pupil Unit Cost Program (Unit Cost Program). The Use Fee shall be the per pupil share of the actual costs of the 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.

Note 7: LEASES AND USE AGREEMENTS (Continued)

Dixon Campus (Continued)

For the years ended June 30, 2020 and 2019, the School paid annual usage fees to the OPSB of \$134,772 and \$74,253, respectively, for use of the Uptown Campus and Dixon Campus. The School Board can increase this fee prior to the next fiscal year based on the actual cost of flood and property insurance they are able to obtain.

Administration Building

For the years ended June 30, 2020 and 2019, the School has a lease agreement for its Administration Building located in New Orleans, LA. This lease expires on June 30, 2022.

The minimum lease payments for the Administration Building are as follows for the years ending June 30,

2021	\$	19,800
2022		19,800
Total	\$	39,600

Note 8: COVID-19 PANDEMIC

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have significant negative impact on the operating activities and the results of the School. The occurrence and extent of such impact will depend on future developments including (i) the duration and the spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the overall economy, all of which are uncertain.

Note 9: REFUNDABLE ADVANCE: PPP LOAN REVENUE

On April 14, 2020, the School received a loan in the amount of \$2,071,400 under the Payroll Protection Program (PPP) pursuant to the Coronavirus Aid, Relief and Economic Security (CARES) Act administered by the Small Business Association (SBA). The PPP provides for forgivable loans to qualifying businesses. The loan and accrued interest are forgivable as long the borrower uses the loan proceeds for eligible purposes, including payroll costs, rent and utilities.

Any unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%. The deferral period is either the (1) the date that SBA remits the borrower's loan forgiveness amount to the lender or (2) if the borrower does not apply for loan forgiveness, 10 months after the end of the borrower's loan forgiveness covered period.

Note 9: REFUNDABLE ADVANCE: PPP LOAN REVENUE (Continued)

The School has used the PPP loan funds for its payroll and benefit purposes consistent with the PPP. While the School currently believes that its use of the PPP funds have met the conditions for forgiveness of the PPP loan and is in the process of preparing the forgiveness application, no assurance can be provided that the School will obtain forgiveness of the loan, in whole or in part.

As of June 30, 2020, the School has incurred \$2,071,400 of qualified expenses under this PPP loan and has recognized \$2,071,400 of PPP loan revenue related to these qualifying expenses.

**International School of Louisiana
Schedule of Agency Head Compensation
For the Year Ended June 30, 2020**

Agency Head Name: Melanie Tennyson, Head of School

PURPOSE	AMOUNT
Salary	\$ 203,610
Benefits-health insurance	3,843
Benefits-retirement	4,446
Workers comp	959
Benefits-life insurance	216
Benefits-long term disability	200
Benefits-Fica and Medicare	30,764
Car allowance	-
Vehicle provided by government	-
Cell phone	734
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	1,992
Registration fees	-
Conference travel	-
Unvouchered expenses	-
Meetings and conventions	-
Other	-
	\$ 246,764

See independent auditors' report

INDEPENDENT AUDITORS' 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

Board of Directors
International School of Louisiana
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 International School of Louisiana (a nonprofit organization) (the School), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated December 23, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be 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 the School'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Carly Riggs & Ingram, L.L.C.

Metairie, Louisiana
December 23, 2020



Carr, Riggs & Ingram, LLC
111 Veterans Blvd. Suite 350
Metairie, Louisiana 70005

(504) 833-2436
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
International School of Louisiana
New Orleans, Louisiana

Report on Compliance for The Major Federal Program

We have audited International School of Louisiana's (a nonprofit organization) (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the School's major federal program for the year ended June 30, 2020. The School's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the School's major federal program 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 the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the School's compliance.

Opinion on The Major Federal Program

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

Report on Internal Control over Compliance

Management of the School 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 the School's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 the School's 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 a 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 and therefore, may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001 that we consider to be a significant deficiency.

The School's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Cary Riggs & Ingram, L.L.C.

Metairie, Louisiana

December 23, 2020

**International School of Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Entity Identifying Number</i>	<i>Total Federal Expenditures (\$)</i>
<i>United States Dept. of Education/Louisiana Department of Education</i>			
Title I Grants to Local Education Agencies	84.010	S010A130018	\$ 544,081
Title I Grants to Local Educational Agencies/Direct Student Services	84.010	S010A130018	12,403
<i>Total Title I Grants to Local Education Agencies</i>			556,484
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	S367A130017	81,097
Student Support and Academic Enrichment Program	84.424	n/a	69,780
<i>United States Dept. of Education/Louisiana Department of Education/Special Education Cluster</i>			
Special Education - Grants to States (IDEA, Part B)	84.027	H027A130033	313,497
<i>Total Special Education Cluster</i>			313,497
<i>Total Department of Education</i>			1,020,858
<i>United States Dept. of Agriculture/Louisiana Department of Education/Child Nutrition Cluster</i>			
National School Lunch Program	10.555	5F9270	330,394
<i>Total Child Nutrition Cluster</i>			330,394
<i>Total Department of Agriculture</i>			330,394
<i>Total Expenditures of Federal Awards</i>			\$ 1,351,252

International School of Louisiana did not pass-through any amounts to subrecipients.

See independent auditors' report and notes to the schedule of expenditures of federal awards.

International School of Louisiana
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Note 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the revenues from federal awards of International School of Louisiana (the School) (a nonprofit organization) as defined in Note 2 to the School's basic financial statements for the year ended June 30, 2020. All federal financial assistance that was received directly from federal agencies is included on the Schedule, as well, as federal assistance passed through other agencies.

Note 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of International School of Louisiana and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the 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). Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The School has not elected to use the 10% de minimis indirect rate allowed under the Uniform Guidance.

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal awards revenues are reported in the School's basic financial statements as program revenues.

Note 4: LOAN

The School did not expend federal awards related to loans or loan guarantees during the year.

Note 5: FEDERALLY FUNDED INSURANCE

The School has no federally funded insurance.

Note 6: NONCASH ASSISTANCE

The School did not receive any federal noncash assistance for the fiscal year ended June 30, 2020.

**International School of Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X none noted
- Significant deficiency(es) identified? _____ yes X none noted

Noncompliance material to financial statements noted? _____ yes X none noted

Federal Awards

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X none noted
- Significant deficiency(es) identified? X yes _____ none noted

Type of auditors’ report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a)? X yes _____ none noted

Identification of major federal programs:

Federal CFDA Number	Federal Program or Cluster
84.010	Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between type A and B programs was \$750,000 for major federal programs.

Auditee qualified as a low-risk auditee for federal purposes? X yes _____ no

**International School of Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

II – FINDINGS RELATED TO FINANCIAL STATEMENTS COMPLIANCE

There were no findings noted related to the financial statements for the year ended June 30, 2020.

III – FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

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

IV – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

2020-001: ACTIVITIES ALLOWED AND UNALLOWED, ALLOWABLE COSTS/COST OF PRINCIPLES

Title and CFDA Number of Federal Program: CFDA 84.010 Title I – Grants to Local Educational Agencies

Federal Award Identification Number and Year: S010A190018 / 2020

Name of Federal Agency: Department of Education

Pass-through Agency: Louisiana Department of Education

Questioned Costs: No questioned costs noted.

Criteria: As described in 2 CFR Part 430(i), subrecipients of federal funds must design and implement internal controls to obtain certifications to support the teachers' total activity under Title 1 programs.

Condition: There is no control in place to obtain certifications to reflect the teachers' total activity under Title 1 programs as required by 2 CFR Part 200.430(i).

Cause: Controls over obtaining of certifications to reflect the teachers' total activity under Title 1 programs were not designed and implemented appropriately.

Effect: Lack of controls over this compliance requirement may impact compliance.

**International School of Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

IV – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS (CONTINUED)

Auditors' Recommendation: Management should obtain certifications to reflect the teachers' total activity under Title 1 programs as required by 2 CFR Part 200.430(i).

Management's Response: See corrective action plan on page 35.

V – MANAGEMENT LETTER

A management letter was not issued for the year ended June 30, 2020.

**International School of Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

II – FINDINGS RELATED TO FINANCIAL STATEMENTS COMPLIANCE

None noted.

III – FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

2019-001: LEVEL OF EFFORT AND REPORTING

Title and CFDA Number of Federal Program: CFDA 84.010 Title I – Grants to Local Educational Agencies

Federal Award Identification Number and Year: S010A130018 / 2019

Name of Federal Agency: Department of Education

Condition: There is no control in place to review and approve the application (including the level of effort calculation) or the reimbursement requests before they are submitted to the federal agency for reporting purposes as required by 2 CFR Part 200, Appendix XI Compliance Supplement.

Status: Resolved.

IV – MANAGEMENT LETTER

None issued.

December 23, 2020

PART III – Findings Related to Major Federal Award Program

2020-001: ACTIVITIES ALLOWED AND UNALLOWED, ALLOWABLE COSTS/COST OF PRINCIPLES

Status: In progress

Planned Corrective Action: Management will obtain certifications to reflect the teachers' total activity under Title 1 programs as required by 2 CFR Part 200.430(i).

Anticipated Completion Date: January 30, 2021

Responsible Party: Emily Thomas (Chief of Operations) and Melanie Tennyson (Head of School)

Signature Emily Thomas

Chief of Operations

Title _____

Signature Melanie Tennyson

CEO/Head of School

Title _____

INTERNATIONAL SCHOOL OF LOUISIANA

BESE AGREED-UPON PROCEDURES REPORT

June 30, 2020



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor of
International School of Louisiana
New Orleans, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of International School of Louisiana (a nonprofit organization) (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 results related to the accompanying schedules of supplementary information and are as follows:

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

1. We will select a sample of 25 transactions, review supporting documentation and observe 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, and
 - Nonpublic Transportation Revenue.

Results: No exceptions were noted in performing this procedure.

Class Size Characteristics (Schedule 2)

2. We will obtain a list of classes by school, school type, and class size as reported on the schedule. We will then trace a sample of 10 classes to the October 1st roll books for those classes and observe that the class was properly classified on the schedule.

Results: No exceptions were noted in performing this procedure.

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

3. We will obtain 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 obtain management's representation that the data/listing was complete. We will then select a sample of 25 individuals, trace to each individual's personnel file, and observe that each individual's education level and experience was property classified on the PEP data or equivalent listing prepared by management.

Results: Exception noted; one (1) of twenty-five (25) individuals' years of experience was incorrectly reported on the October 1, 2019 PEP Report.

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We will obtain 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 obtain management's representation that the data/listing is complete. We will then select a sample of 25 individuals, trace to each individual's personnel file, and observe that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

Results: No exceptions were noted in performing this procedure.

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 International School of Louisiana, 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.

Cary Riggs & Ingram, L.L.C.

Metairie, Louisiana
December 23, 2020

International School of Louisiana
Schedule 1 - General Fund Instructional and Support
Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2020

General Fund Instructional and Equipment Expenditures

General fund instructional expenditures:

Teacher and student interaction activities:

Classroom teacher salaries	\$ 4,744,085	
Other instructional staff activities	940,713	
Instructional Staff Employee benefits	1,255,766	
Purchased professional and technical services	64,624	
Instructional materials and supplies	295,010	
Less instructional equipment	-	
Total teacher and student interaction activities	-	\$ 7,300,198

Other instructional activities -

Pupil support activities	\$ 612,430	
Less equipment for pupil support activities	-	
Net pupil support activities	-	612,430

Instructional Staff Services	\$ 218,334	
Less equipment for instructional staff services	-	
Net instructional staff services	-	218,334

School Administration	\$ 2,850,140	
Less: Equipment for School Administration	-	
Net School Administration	-	2,850,140

Total general fund instructional expenditures \$ 10,981,102

Total general fund equipment expenditures \$ -

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

**International School of Louisiana
Schedule 2 - Class Size Characteristics
For the Year Ended June 30, 2020**

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	45%	220	55%	273	0%	-	0%	-
Elementary Activity Classes	38%	27	62%	44	0%	-	0%	-
Middle/Jr. High	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High Activity Classes	0%	-	0%	-	0%	-	0%	-
High	0%	-	0%	-	0%	-	0%	-
High Activity Classes	0%	-	0%	-	0%	-	0%	-
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

See independent accountants' report on applying agreed-upon procedures.



December 23, 2020

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

And

Carr, Riggs & Ingram, LLC
111 Veterans Blvd.
Suite 350
Metairie, LA 70005

RE: Management's Response to
Board of Elementary and Secondary Education Agreed-Upon Procedures
International School of Louisiana

Dear Sirs:

International School of Louisiana will review policies and procedures in regard to the comments for each schedule of performance and statistical data and make appropriate changes that will improve reporting on each schedule of performance and statistical data that are cost effective and within our budget constraints.

Sincerely,

A handwritten signature in black ink that reads "Melanie Tennyson". The signature is written in a cursive, flowing style.

Melanie Tennyson
Head of School