



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018



caddo
parish public schools

CADDO PARISH SCHOOL BOARD
SHREVEPORT, LOUISIANA

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

Denee' Locke
President

Dr. T. Lamar Goree
Superintendent

James G. Lee
Chief Financial Officer

Prepared by the Department of Finance

**Caddo Parish School Board
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Introductory Section

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CADDO PARISH SCHOOL BOARD

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Theodis Lamar Goree, Ph.D.
Superintendent

Transmittal Letter

January 23, 2019

Steve Riall, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Caddo Parish School Board for the year ended June 30, 2018.

This report consists of management's representations concerning the finances of the Caddo Parish School Board. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Caddo Parish School Board (School Board) has established a comprehensive internal control framework that is designed both to protect the School Board's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Caddo Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Caddo Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Carr, Riggs & Ingram, LLC, a firm of licensed certified public accountants, has audited the Caddo Parish School Board's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Caddo Parish School Board for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Caddo Parish School Board's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Caddo Parish School Board was part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Caddo Parish School Board's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Caddo Parish School Board's MD&A can be found immediately after the report of the independent auditor.

PROFILE OF THE CADDO PARISH SCHOOL BOARD

Purpose and operations. The Caddo Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Caddo Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 12 members who are elected from 12 districts for concurrent terms of 4 years.

The School Board operates 64 schools within the parish with a total enrollment of approximately 40,000 pupils. The School Board provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and enriched academic education, special education, occupational education, and many individualized programs such as specialized instruction for disadvantaged students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in the fine arts and athletics. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

Reporting entity. The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Caddo Parish School Board (the primary government) and three component units, the Shreveport Charter Foundation, Inc. ("Magnolia" or "Magnolia School of Excellence"), Pathways in Education – Louisiana, Inc. ("Pathways"), and AMIkids Caddo, Inc. ("AMIkids"). Magnolia, Pathways, and AMIkids are presented as a discretely presented component units. Each of these charter schools is included in the reporting entity because it is fiscally dependent on the School Board for the majority of its revenue, and because exclusion would render the School System's financial statements incomplete or misleading.

The Superintendent submits an annual operating budget to the School Board at its regular meeting in May or June of each year. The operating budget serves as the foundation for the School Board's financial planning and control. The proposed budget is made available for public inspection at least 15 days prior to the date of a public hearing and at least one public hearing is held, as required by Louisiana law, prior to its adoption by the School Board. Budget-to-actual comparisons are provided in this report.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the School Board operates.

Economic Outlook. Northwest Louisiana is a region of nearly 800,000 residents and is the hub of a tristate region known as the Ark-La-Tex. The economy in this region continues to remain flat.

The district continues to see small declines in enrollment, which has a negative effect on our state funding. We project our enrollment to be 38,600 for the 2018-2019 school year which is a decrease of approximately 1,100 students. However, we continue to make the necessary changes to remain as efficient as possible. For the start of the 2017-18 school year, we consolidated two high schools and closed a middle school facility. These actions will have an impact on our budget in both staffing and operational costs.

New construction continues across the parish, including At Home, Academy Sports, continued expansion at Kroger Marketplace, and new multi-family and single-family housing. As Interstate 49 gets closer to completion into Interstate 220. With this, there is anticipation of continued development in the northern half of the parish.

Sales tax revenue showed steady improvement during the second half of fiscal year 2017-2018 and continues into Fiscal Year 2018-2019. This is primarily due to increased utilization of healthcare services and new businesses in North Caddo Parish.

Financial Policies. Financial stresses at the state level continue to put more of a burden on all of the local school districts. Through sound fiscal practices over the years, our school district had been able to weather this storm. State educational funding remained flat again this year. We again had to finance state mandated programs with no additional funding. This continues to put a drain on our fund balance. However, even with these issues, we were able to adopt a balanced budget.

Long-term financial planning. The mission of the School Board is to improve the academic achievement of students and overall district effectiveness. We have high expectations for everyone – students, teachers, administrators, parents, community volunteers, and support groups. While acknowledging that Caddo has many successful schools, the state's accountability plan is driving fundamental changes in instruction by demanding that schools show annual academic growth. These measures will require that elected officials and administrators provide effective leadership for the wisest use of all available resources. The School Board has adopted goals and objectives to improve its fund balance, increase grant revenues, and reduce costs of support functions while addressing critical instructional needs.

Facilities. The school system operates buildings at 63 school and auxiliary sites. Buildings on these sites range in age from 29 years to 101 years old.

Pension and other postemployment benefits. The School Board provides a defined benefit pension plan for its employees through three cost-sharing multiple-employer statewide plans.

The School Board also provides post-retirement healthcare and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were approximately 4,100 retired employees receiving these benefits.

Additional information on the School Board's pension arrangements and postemployment benefits can be found in notes 6 and 7 in the notes to the basic financial statements.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report (CAFR) for the fiscal year

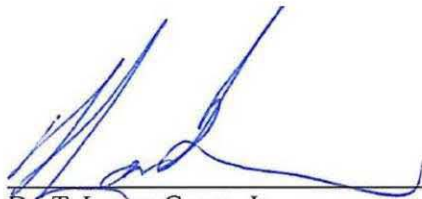
ended June 30, 2017. This was the 30th consecutive year that the School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, the School Board published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The Association of School Board Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting Award for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. This was the 30th consecutive year that the School Board has received this prestigious award. The award represents a significant achievement by the School Board and reflects our commitment to the highest standards of school system financial reporting.

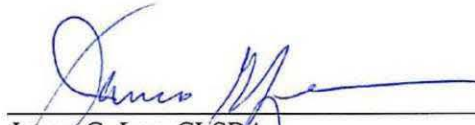
The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe that our current CAFR continues to meet the certificate requirements and we are submitting it to both GFOA and ASBO to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.



Dr. T. Lamar Goree, Jr.
Superintendent



James G. Lee, CLSBA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Caddo Parish School Board
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Caddo Parish School Board

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CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana



**The Certificate of Excellence in Financial Reporting
is presented to**

Caddo Parish School Board

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.' The signature is written over a thin horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink that reads 'John D. Musso'. The signature is written over a thin horizontal line.

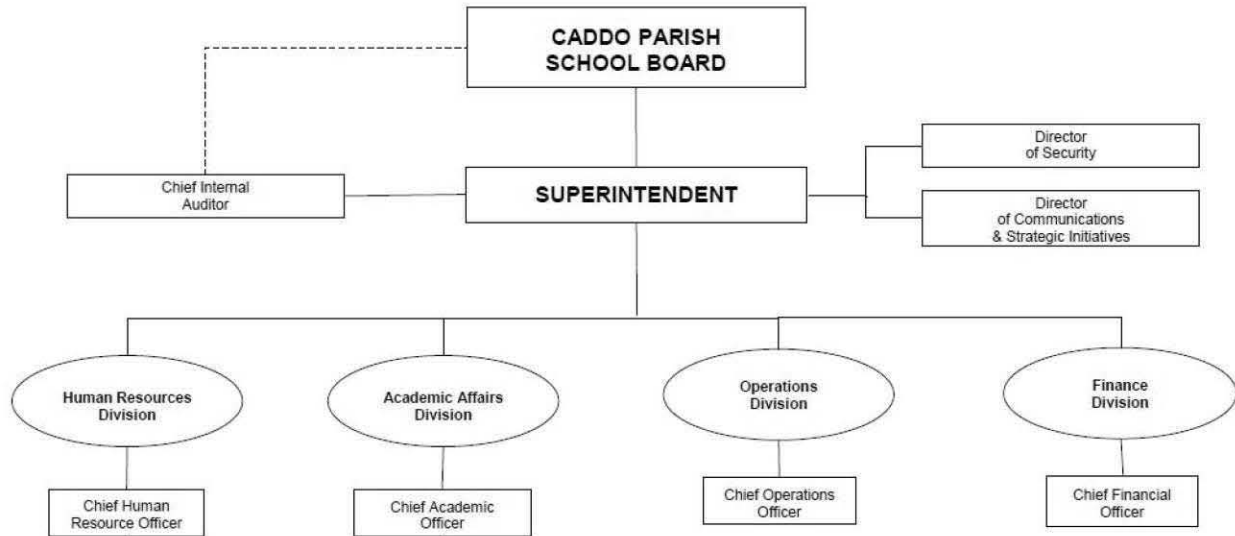
John D. Musso, CAE
Executive Director

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

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CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Organization Chart
June 30, 2018



CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

ELECTED OFFICIALS

The Caddo Parish School Board

EXECUTIVE COMMITTEE



Mary Trammel
1st Vice President
District 6



Steve Riall
President
District 1



Barry Rachal
2nd Vice President
District 9



Jasmine Green
District 2



Margaret Brown
District 3



Suzanna Poljak
District 4



Bonita Douzart
District 5



Raymond Green
District 7



Denee Locke
District 8



Durwood Hendricks
District 10



John Albritton
District 11



Dottie Bell
District 12

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

ELECTED OFFICIALS' TERMS

	Present Term Began	Present Term Expires	Began as a Board Member
Steve Riall, President	January 6, 2015	December 31, 2018	December 2008
Mary Trammel, 1 st Vice President	January 6, 2015	December 31, 2018	January 2011
Barry F. Rachal, 2 nd Vice President	January 6, 2015	December 31, 2018	March 2004
Denee' Locke	January 6, 2015	December 31, 2018	January 2015
Raymond Green	January 6, 2015	December 31, 2018	January 2015
Dottie Bell	January 6, 2015	December 31, 2018	January 2007
Margaret Brown	January 6, 2015	December 31, 2018	January 2015
Bonita Douzart	January 6, 2015	December 31, 2018	January 2015
Jasmine Green	January 6, 2015	December 31, 2018	January 2011
Susannah Poljak	January 6, 2015	December 31, 2018	January 2015
John Albritton	October 6, 2015	December 31, 2018	October 2015
Durwood Hendricks, Jr.	February 27, 2018	December 31, 2018	February 2018

SELECTED ADMINISTRATIVE OFFICIALS

Dr. T. Lamar Goree	Superintendent
James G. Lee	Chief Financial Officer
Keith Burton	Chief Academic Officer
Diane W. Atkins	Chief Human Resources Officer
James W. Woolfolk, II	Chief Operations Officer
Jeff Howard	Chief Internal Auditor

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Financial Section

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Independent Auditors' Report

Board Members
Caddo Parish School Board
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board (the School Board) as of and for the year ended June 30, 2018, and related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions 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 of 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 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As described in Note 19 to the financial statements, the Caddo Parish School Board adopted *Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which resulted in a cumulative effect of change in accounting principle of (\$184,061,258) to the June 30, 2017, net deficit for governmental activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress for Other Postemployment Benefits Plan, Schedule of Employer Contributions for Other Postemployment Benefit Plan, and the Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's financial statements as a whole. The accompanying supplementary information, as listed in the table of contents and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects in relation to the financial statements as a whole.

The accompanying other information, as listed in the table of contents including the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2019, on our consideration of the School Board'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 the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 23, 2019

REQUIRED SUPPLEMENTAL INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

The discussion and analysis of Caddo Parish School Board's (School Board) financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. Readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to enhance their understanding of the School Board's financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2018, are as follows:

▪ **Statement of Net Position:**

The liabilities and deferred inflows of resources of the Caddo Parish School Board exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$1.1 billion (net deficit). Of this amount, approximately \$1.3 billion is the deficit in unrestricted net position.

▪ **Statement of Activities:**

The School Board's total net deficit decreased by \$37 million for the year ended June 30, 2018.

▪ **Governmental Funds Balance Sheet:**

As of the close of the fiscal year 2017-2018, the Caddo Parish School Board's governmental funds reported combined ending fund balance of \$67.8 million, a total decrease of \$13.9 million in comparison with the prior fiscal year. The majority of the fund balance is comprised of approximately (1) \$4.2 million which is unassigned and available for spending within the General Fund, (2) \$23.4 million which is either nonspendable or committed in the General Fund, (3) \$4.2 million which is nonspendable or restricted within the Capital Projects Fund, (4) \$22.2 million which is nonspendable within the Caddo Educational Excellence (CEEF) Permanent Fund, (5) \$8.9 million which is restricted for debt service, and (6) \$4.2 million restricted for the Child Nutrition Program.

▪ **Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Total revenues for the year ended June 30, 2018, for the governmental funds of the Caddo Parish School Board amounted to \$462 million. Approximately 86% of this amount was received from three major revenue sources: (1) \$187 million from Louisiana's Minimum Foundation Program, (2) \$131.8 million from local ad valorem taxes, and (3) \$78.5 million from local sales and use taxes.

▪ **General Fund's Ending Fund Balance:**

At the end of the current fiscal year, fund balance for the General Fund, a major fund, was \$27.6 million or 7.1% of total General Fund expenditures. \$1.7 million was non-spendable, \$21.7 million (committed) is set aside for future claims and contingencies and equipment replacement, while \$4.2 million (unassigned) is available for spending at the School Board's discretion. This unassigned balance represents 1.1% of General Fund expenditures.

▪ **Capital Assets:**

Total capital assets (net of depreciation) were \$210.5 million or 54.4% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.

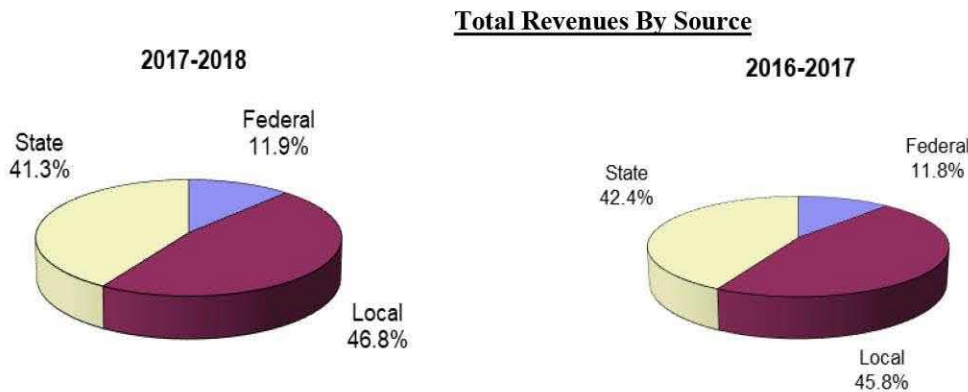
Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

▪ **Long-Term Liabilities:**

The Caddo Parish School Board's total long-term debt decreased \$10 million during the current fiscal year. Debt on general obligation bonds decreased by \$7.3 million. Debt on outstanding Qualified Zone Academy Bond Program decreased by \$.2 million. Debt on Qualified School Construction Bonds decreased \$2.6 million.

Other long-term liabilities decreased by \$100 million during the current fiscal year. However, there was a prior period adjustment related to the GASB 75 implementation which increased the beginning net OPEB liability by \$184 million.

This year, primary resources available to the school system are local revenues, primarily tax receipts, which total \$216.2 million or 46.8% of the total; state revenues, primarily Minimum Foundation Program funding (equalization) and special grants, totaling \$190.9 million or 41.3% of the total; and federal funds, totaling \$54.8 million or 11.9% of the total. Last year, local revenues were \$209.3 million or 45.8%, while state revenues were \$193.9 million or 42.4%, and federal revenues were \$53.8 million or 11.8%.



Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Caddo Parish School Board's basic financial statements. The Caddo Parish School Board's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

- **Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Caddo Parish School Board's finances, in a manner similar to a private sector business.
- **The Statement of Net Position** The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as the Caddo Parish School Board's net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Caddo Parish School Board is improving or deteriorating.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

- The **Statement of Activities** presents information showing how the Caddo Parish School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).
- The government-wide financial statements include not only the Caddo Parish School Board (known as the "primary government") but three legally separate charter schools, the Shreveport Charter Foundation, Inc., Pathways in Education – Louisiana, Inc., and AMIkids Caddo Inc., for which the School Board is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. Complete financial statements of the component units can be obtained from Shreveport Charter Foundation, Inc., 2290 Clyde Fant Parkway, Shreveport, Louisiana 71104 and Pathways in Education – Louisiana, Inc., 8999 Mansfield Road, Shreveport, Louisiana 71118, and AMIkids Caddo, 3860 Hutchinson Street, Shreveport, Louisiana 71109.
- The governmental-wide financial statements can be found following the MD&A.
- **Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Caddo Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Caddo Parish School Board can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.
 - **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Caddo Parish School Board's near-term financing requirements.
 - Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Caddo Parish School Board's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.
 - The Caddo Parish School Board maintains twenty-two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Permanent Fund - CEEF which are considered to be major funds. The permanent fund, CEEF, is used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended. Data for the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report. The debt service fund is used to account for the accumulation of resources for, and the payment of, long term debt principal, interest, and related costs.

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- The Caddo Parish School Board adopts an annual appropriated budget for its General Fund and Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.
- The governmental fund financial statements can be found following the government-wide financial statements.
- **Proprietary fund.** Internal service funds are an accounting device used to accumulate and allocate costs internally among the School Boards various functions. The School Board uses an internal service fund to account for the accumulation of resources for and the payment of employee health insurance. Because this service predominantly benefits governmental functions, it has been included with governmental activities in the government-wide financial statements.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Caddo Parish School Board. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Caddo Parish School Board's own programs. The Caddo Parish School Board maintains two agency funds named the School Activity Funds and the Central Office Concession, and one Other Employee Benefits Trust Fund.
- **Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.
- **Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Caddo Parish School Board's compliance with budgets for its major funds. The combining statements for nonmajor governmental funds are presented immediately following the required supplemental information.

Financial Analysis of Government-wide Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Caddo Parish School Board, liabilities and deferred inflows of resources exceed assets and deferred outflows of resources by \$1.1 billion at the close of the most recent fiscal year (FY).

The Caddo Parish School Board's net position (deficit) reflects \$119.8 million as investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Caddo Parish School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Caddo Parish School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The School Board as a Whole. The School Board's net position (deficit) was \$(1.1) billion at June 30, 2018. Of this amount; \$(1.3) billion was unrestricted, \$39.9 million was restricted, and \$119.8 million was invested in capital assets.

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The following analysis focuses on the net position (Table 1) and change in net position (Table 2) of the School Board's governmental activities:

TABLE 1
Net Position (in millions)
For Fiscal Years Ended June 30

	Governmental Activities		Percentage Change
	2018	2017	
Current and other assets	\$ 176.7	\$ 181.9	(2.9)
Capital assets net of accumulated depreciation	210.5	208.6	0.9
Total assets	<u>387.2</u>	<u>390.5</u>	<u>(0.8)</u>
 Total Deferred outflows of resources	 81.9	 100.8	 (18.8)
 Current and other liabilities	 72.3	 70.5	 2.6
Long-term liabilities	1,419.8	1,345.8	5.5
Total liabilities	<u>1,492.1</u>	<u>1,416.3</u>	<u>5.4</u>
 Total Deferred inflows of resources	 106.8	 57.8	 84.8
 Net position			
Net investment in capital assets	119.8	107.8	11.1
Restricted	39.9	45.0	(11.3)
Unrestricted	<u>(1,289.5)</u>	<u>(1,135.6)</u>	<u>(13.6)</u>
Total net position (deficit)	<u><u>\$(1,129.8)</u></u>	<u><u>\$(982.8)</u></u>	<u><u>(15.0)</u></u>

Restricted net position of \$39.9 million is reported separately to show legal constraints for the payment of outstanding long-term debt obligations and to limit the Caddo Parish School Board from using these funds for day-to-day operations. The debt service fund accounts for \$8.9 million, capital project fund accounts for \$4.2 million, and child nutrition fund accounts for \$4.2 million. The remaining balance is restricted for instructional enhancement and is generated from the school board's share of gaming receipts that are collected from area riverboat casinos. State law requires the gaming receipts to be held in perpetuity; however, the investment earnings may be spent for purposes of instructional enhancement. As of June 30, 2018, the permanently restricted portion was \$22.2 million. The remaining balance of (\$1.3) billion is a deficit in the unrestricted net position (deficit).

Overall net deficit increased \$147 million from the prior year. Revenues exceeded expenses by \$37.1 for the fiscal year 2017-18; however, this change was offset by a prior period adjustment recorded to implement GASB 75, which increased the beginning net deficit by \$184 million. Revenue increased approximately \$4.7 million in fiscal year 2017-2018. This mostly resulted from an increase in sales tax revenue of \$5.6 million, an increase in ad valorem taxes of \$2.5 million and a net decrease in all other revenues of \$3.4 million. The district's expenses decreased \$24.6 million in fiscal year 2017-2018.

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Governmental Activities. Governmental Activities decreased the School Board's net deficit by \$37.1 million; however, a prior period adjustment related to implementing GASB 75 of \$184.1 million increased the beginning net deficit. Therefore, the total overall net deficit increased \$147 million from prior year. Key elements of this increase are as follows:

TABLE 2
Changes in Net Position (in millions)

	<u>Fiscal Years Ended June 30,</u>		Percentage Change
	2018	2017	
Revenues:			
Program revenues			
Charges for services	\$ 0.3	\$ 0.3	-
Operating grants and contributions	56.7	55.8	1.6
General revenues			
Ad valorem taxes	131.8	129.3	1.9
Sales taxes	78.5	72.9	7.7
State Minimum Foundation Program and Revenue Sharing	188.9	189.9	(0.5)
Other general revenues	7.0	10.3	(32.0)
Total revenues	<u>463.2</u>	<u>458.5</u>	<u>1.0</u>
Function/program expenses:			
Instruction			
Regular programs	133.7	146.1	(8.5)
Special programs	51.1	55.7	(8.3)
Other instructional programs	36.9	35.8	3.1
Support services			
Student services	30.1	29.2	3.1
Instructional staff support	26.5	26.3	0.8
General administration	7.6	7.4	2.7
School administration	26.3	28.7	(8.4)
Business services	3.6	4.0	(10.0)
Plant services	60.8	65.5	(7.2)
Student transportation services	21.2	23.7	(10.5)
Central services	7.5	7.2	4.2
Food services	17.9	17.7	1.1
Community service programs	0.7	0.7	-
Interest on long-term debt	2.2	2.7	(18.5)
Total expenses	<u>426.1</u>	<u>450.7</u>	<u>(5.5)</u>
Increase (decrease) in net position	<u>37.1</u>	<u>7.8</u>	<u>(375.6)</u>
Net position (deficit) – beginning, as previously stated	<u>(982.8)</u>	<u>(990.6)</u>	<u>(0.8)</u>
Prior period adjustment	<u>(184.1)</u>	-	-
Net position (deficit) – beginning, as restated	<u>(1,166.9)</u>	<u>(990.6)</u>	<u>(17.8)</u>
Net position (deficit) – ending	<u>\$ (1,129.8)</u>	<u>\$ (982.8)</u>	<u>\$ (15.0)</u>

Caddo Parish School Board
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Governmental Activities Total and Net Costs

As reported in the Statement of Activities, the total cost of all governmental activities this year was \$426.1 million.

The table below presents the cost of each of the School Board's largest functions – as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows the analysis of the cost of each function in comparison to the benefits provided by that function.

	Total Costs of Service		Percent Change	Net Costs of Service		Percent Change
	2018	2017		2018	2017	
Regular programs	\$ 133.7	\$ 146.1	(8.5)	\$ 114.8	\$ 127.9	(10.2)
Special programs	51.1	55.7	(8.3)	43.0	47.8	(10.0)
Other instructional programs	36.9	35.8	3.1	36.4	35.4	2.8
Student services	30.1	29.2	3.1	28.4	27.4	3.6
Instructional staff support	26.5	26.3	0.8	25.3	25.1	0.8
General administration	7.6	7.4	2.7	7.5	7.3	2.7
School administration	26.3	28.7	(8.4)	23.6	26.2	(9.9)
Business services	3.6	4.0	(10.0)	3.2	3.6	(11.1)
Plant services	60.8	65.5	(7.2)	57.5	62.3	(7.7)
Central services	7.5	7.2	4.2	6.9	6.7	3.0
Student transportation services	21.2	23.7	(10.5)	18.3	20.9	(12.4)
Food services	17.9	17.7	1.1	1.3	0.5	160.0
All other	2.9	3.4	(14.7)	2.9	3.4	(14.7)
Totals	<u>\$ 426.1</u>	<u>\$ 450.7</u>	<u>(5.5)</u>	<u>\$ 369.1</u>	<u>\$ 394.5</u>	<u>(6.4)</u>

Program Expenses and Revenues Governmental Activities

Expenses are classified by functions/programs. The related revenues are comprised of specific charges for the services and operating grants and contributions received to offset the expenses for the specific program.

Instructional services (regular programs, special programs, and other instructional programs) for fiscal 2018 totaling \$221.7 million or 52.0% of total expenses, decreased \$15.9 million or (6.7%) from fiscal year 2017 primarily because of decreases in the actuarially determined net pension liability and net OPEB liability. These decreases are then allocated to the various functions based on budgeted salaries and benefits percentages.

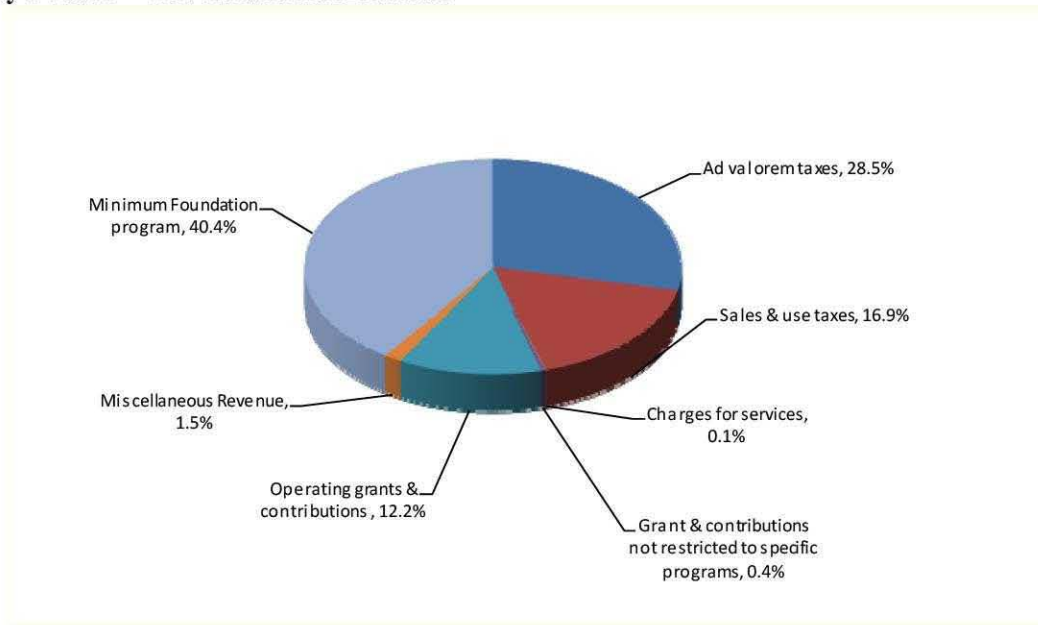
Services that support the instructional services including student services, instructional staff support, general administration, school administration, business services, plant services, student transportation services and central services are support services. Support services for fiscal 2018 totaling \$183.6 million or 43.1% of total expenses, decreased \$8.4 million or (4.4%) from fiscal 2017, primarily because of decreases in the actuarially determined net pension liability and net OPEB liability which are then allocated to the various functions based on budgeted salaries and benefits percentages.

The remaining expenses (food services, community service programs, and interest on long term debt) of \$20.8 million or 4.9% of total expenses, decreased \$1.4 million or (1.4%) from fiscal 2017.

The program revenues for fiscal 2018 directly related to these expenses totaled \$56.7 million, which along with \$296 thousand in charges for services, resulted in net program expenses of \$369.1 million. These net program expenses are funded by general revenues of the Caddo Parish School Board.

**Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018**

Revenues by Source – Governmental Activities



- Minimum Foundation Program:** The single largest source of revenue to the Caddo Parish School Board for grants and contributions not restricted to a specific program is the State Equalization or commonly called the Minimum Foundation Program (MFP). The MFP distribution is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in MFP funds for the past three years.

Fiscal Year	General	Child Nutrition Program	Total MFP	Increase/(Decrease)	
2015-2016	195.5	2.3	197.7	(4.5)	(2.2)%
2016-2017	187.6	2.3	189.9	(7.8)	(3.9)%
2017-2018	185.8	1.3	187.1	(2.8)	(1.5)%

In FY 2017-2018 the School Board received \$187.1 million or 40.5% of its total revenue from the MFP. These revenues are deposited in the General Fund and the Child Nutrition Program Fund only. The \$2.8 million decrease is due a decrease in state funding and a slightly declining enrollment.

- Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the second largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the Caddo Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. The following chart lists the ad valorem tax deposits for the past three years.

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<u>Fiscal Year</u>	<u>General</u>	<u>Nonmajor Parish-Wide Capital Projects</u>	<u>Nonmajor Debt Service</u>	<u>Total Ad Valorem Taxes</u>	<u>Increase/(Decrease)</u>	
2015-2016	102.4	20.8	8.7	131.9	2.5	1.9%
2016-2017	100.2	20.4	8.7	129.3	(2.6)	(2.0)%
2017-2018	102.2	20.8	8.8	131.8	2.5	1.9%

In FY 2017-2018, the School Board recognized \$131.8 million of ad valorem tax revenues for the General Fund, the Parish-Wide Capital Projects Fund, and the Debt Service Fund. This represents 28.5% of the total revenues received. Ad valorem tax revenues in FY 2017-2018 increased by 2.5% as a result of increases in property values.

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Caddo Parish School Board. A 1.5% sales tax rate is levied upon the sale and consumption of goods and services within the parish. The chart below lists the sales and use tax revenues for the past three years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Increase/(Decrease)</u>	
2015-2016	73.8	(5.5)	(6.9)%
2016-2017	72.9	(0.9)	(1.2)%
2017-2018	78.5	5.6	7.7%

All sales and use tax revenues are deposited into the General Fund. This represents 17% of the total revenues received. Sales tax revenue increased in FY 2017-2018 as a result of increased sales in North Caddo Parish as a result of a new Walmart and other new businesses in the area.

- **Operating Grants and Contributions:** Operating grants and contributions are the fourth largest source of revenues for the School Board. This revenue type is primarily comprised of federal grants with some state grants included. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost. The chart below, stated in millions of dollars, shows the operating grants, and contributions by fund source.

<u>Fiscal Year</u>	<u>General</u>	<u>Title I</u>	<u>Parishwide Capital Projects</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>	<u>Increase/(Decrease)</u>	
2014-2015	1.5	20.0	-	32.8	54.3	2.6	5.0%
2015-2016	1.4	18.1	-	33.5	53.0	(1.3)	(2.4)%
2016-2017	1.2	19.5	-	35.1	55.8	2.8	5.3%
2017-2018	1.0	19.9	-	35.8	56.7	.9	1.6%

In FY 2017-2018, the School Board received \$56.7 million in operating grants and contributions. The 1.6% increase in FY 2017-2018 is primarily due to an increase in federal grants.

Caddo Parish School Board
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Financial Analysis of the Government's Funds

As noted earlier, the Caddo Parish School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Caddo Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Caddo Parish School Board's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a School Board's net resources available for spending at the end of the fiscal year.

The General Fund is the main operating fund of the Caddo Parish School Board. At the end of the current fiscal year, spendable fund balance of the General Fund was \$26 million. The Caddo Parish School Board has committed \$22 million of the spendable fund balance for future claims and contingencies and for equipment replacement. The remaining \$4 million (unassigned) is available for spending at the Caddo Parish School Board's discretion. The fund balance of the general fund decreased \$9 million for the fiscal year. The main reason for spending in excess of revenue was due increases in salaries and benefits, an increase in capital outlay, an increase in debt service payments.

The CEEF Permanent Fund has a total fund balance of \$22.2 million. A net increase of \$.7 million occurred during the current fiscal year, largely due to continued receipts from the two riverboat casinos located in the parish.

General Fund Budgetary Highlights. The Caddo Parish School Board recognizes the importance of sound fiscal planning, as well as the technical relationship of the financial structure to the teaching of students. Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Caddo Parish School Board complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original budget for the Caddo Parish School Board was adopted in June 2017. Final budget amendments for the General Fund were adopted in March 2018 and for the Child Nutrition Fund in April 2018. Differences between the original budget and final amended budget of the General Fund are as follows:

Revenues

- Sales taxes were estimated at \$73.5 million when the budget was first adopted by the board. The original budget was increased by \$2 million as the result of increased sales tax revenue due to new businesses in North Caddo Parish.
- Interest earnings were estimated at \$200,000 but were increased by \$550,000 because of an anticipated increase in earnings.
- The Minimum Foundation Program (MFP) funding from the State was reduced by \$1 million because of a decrease in enrollment.

Expenditures

- The original budget was increased by \$1.5 million for payments to district authorized charter schools.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Actual Results

- Actual revenues were less than the final budget by \$3.6 million. The variance percentage was .89%.
- Total expenditures were more than final budget with a variance of \$5.5 million. The variance percentage was 1.38%

Capital Asset and Debt Administration

Capital Asset. For the year ended June 30, 2018, the School Board had \$210.5 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings, furniture and equipment, and transportation equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$1.9 million or 0.9% from last year.

Capital Assets (in millions)
(Net of depreciation)

	<u>Governmental Activities</u>	
	As of June 30,	
	<u>2018</u>	<u>2017</u>
Land	\$ 4.8	\$ 4.9
Construction in progress – buildings	7.3	8.9
Buildings and improvements	183.2	179.2
Furniture and equipment	9.5	9.6
Transportation equipment	4.9	5.5
Intangibles - software	0.8	0.5
	<u>\$ 210.5</u>	<u>\$ 208.6</u>

Major capital projects during the 2017-2018 school year included the following:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Byrd – HVAC Phase 3 • Lee Hedges Stadium Upgrades • Lock Maintenance • Midway Elevator • Roof & Walls at North Caddo Welding & Auto Shop • District-wide Fencing • District-wide I.T. Wiring • District-wide Intercom Upgrades • Various – Asbestos Abatement | <ul style="list-style-type: none"> • Various – Canopy Repairs • Various – Fire System Updates • Various – Flooring Projects • Various – Other HVAC Projects • Various – Painting Projects • Various – Paving Projects • Various – Roofing Projects • Various – T-Buildings |
|---|--|

Caddo Parish School Board
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Long-Term Debt. At the end of the current fiscal year, the Caddo Parish School Board had total debt outstanding of \$89.3 million. Of the amount, \$70.4 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2018 and 2017.

Outstanding Debt (in millions)

	<u>Governmental Activities</u>	
	2018	2017
General obligation bonds	\$ 70.4	\$ 77.7
Qualified Zone Academy Bond loan payable	-	0.2
Qualified School Construction Bonds	18.9	21.5
	\$ 89.3	\$ 99.4

The Caddo Parish School Board entered into an additional capital lease agreement for vehicles (buses) during the current year. The total lease payable at June 30, 2018, was \$1.6 million.

For additional information regarding capital assets and long-term debt, see notes 5 and 9 to the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

The following economic factors were considered when the budget for FY 2018-2019 was presented to the Board:

- Property taxes were budgeted flat. No millages are due to be renewed for the next several years.
- Sales taxes were projected to decrease \$900,000
- State MFP Funding reflects the Department of Education's model with no growth
- School staffing was based on current staffing formula
- Step increases were included along with \$200 teacher supply funding
- Leasing 10 buses was included
- Funding for required textbooks was included

Requests for Information

This financial report is designed to provide a general overview of the Caddo Parish School Board's finances for all those with an interest in the Caddo Parish School Board's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to James G. Lee, Chief Financial Officer, Caddo Parish School Board, P.O. Box 32000, Shreveport, LA 71130-2000, or by calling (318) 603-6355, or by emailing jlee@caddoschools.org.

BASIC FINANCIAL STATEMENTS:

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Statement of Net Position
June 30, 2018

Statement A

	Primary Government	Discretely Presented Component Units
Assets		
Cash and cash equivalents	\$ 131,963,634	\$ 3,747,850
Receivables	20,640,017	97,203
Inventory	1,430,477	-
Other assets	505,848	270,432
Restricted assets		
Cash and cash equivalents	22,194,497	-
Capital assets not being depreciated		
Land	4,796,357	-
Construction in progress	7,279,136	-
Capital assets net of accumulated depreciation		
Buildings and equipment	198,397,358	26,801,033
Total assets	387,207,324	30,916,518
Deferred Outflows of Resources		
Deferred outflows related to pensions	80,192,252	-
Deferred outflows related to OPEB	800,218	-
Unamortized loss on refunding bonds	919,702	-
Total deferred outflows of resources	81,912,172	-
Liabilities		
Accounts payable	8,199,452	1,940,224
Claims payable	7,687,830	-
Salaries and wages payable	55,157,000	-
Retainage payable	431,864	-
Unearned revenue	20,125	-
Interest payable - bonds	808,511	-
Long-term liabilities		
Due within one year	21,240,327	447,880
Due in more than one year	89,847,645	31,192,677
Net pension liability	480,216,737	-
Net other post-employment benefit obligation	828,466,168	-
Total liabilities	1,492,075,659	33,580,781
Deferred Inflows of Resources		
Deferred inflows related to pensions	84,066,959	-
Deferred inflows related to OPEB	22,586,834	-
Unamortized gain on refunding bonds	132,218	-
Total deferred inflows of resources	106,786,011	-
Net Position		
Net investment in capital assets	119,883,995	1,111,841
Restricted net position for:		
Debt service	8,903,865	-
Instructional enhancement		
Expendable	335,471	-
Nonexpendable	22,194,497	-
Child Nutrition Program	4,237,906	-
Capital projects	4,248,851	-
Unrestricted net position (deficit)	(1,289,546,759)	(3,776,104)
Total net position (deficit)	(\$ 1,129,742,174)	(\$ 2,664,263)

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Statement of Activities
For the Year ended June 30, 2018

Statement B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government	Discretely Presented Component Units
Primary government					
Governmental activities					
Instruction					
Regular programs	\$ 133,694,023	\$ -	\$ 18,898,154	(\$ 114,795,869)	\$ -
Special programs	51,149,473	-	8,143,196	(43,006,277)	-
Other instructional programs	36,868,034	-	446,309	(36,421,725)	-
Support services					
Student services	30,128,590	-	1,747,363	(28,381,227)	-
Instructional staff support	26,514,073	-	1,267,341	(25,246,732)	-
General administration	7,641,186	-	103,146	(7,538,040)	-
School administration	26,261,899	-	2,648,013	(23,613,886)	-
Business services	3,638,862	-	444,105	(3,194,757)	-
Plant services	60,755,139	-	3,258,166	(57,496,973)	-
Student transportation services	21,204,138	-	2,936,526	(18,267,612)	-
Central services	7,466,174	-	527,089	(6,939,085)	-
Food services	17,889,530	296,410	16,312,574	(1,280,546)	-
Community service programs	719,853	-	-	(719,853)	-
Interest and issuance costs on long-term debt	2,206,804	-	-	(2,206,804)	-
Total primary government	<u>\$ 426,137,778</u>	<u>\$ 296,410</u>	<u>\$ 56,731,982</u>	<u>(369,109,386)</u>	<u>-</u>
Total component units	20,287,739	-	983,068	-	(19,304,671)
	<u>\$ 20,287,739</u>	<u>\$ -</u>	<u>\$ 983,068</u>	<u>-</u>	<u>(19,304,671)</u>
General revenues					
Taxes					
Ad valorem taxes levied for general purposes				102,213,959	-
Ad valorem taxes levied for debt service purposes				8,768,622	-
Ad valorem taxes levied for capital improvements				20,833,904	-
Sales taxes levied for salaries, benefits, and general purposes				78,464,255	-
Grants and contributions not restricted to specific programs					
Minimum Foundation Program				187,080,918	18,585,729
State revenue sharing				1,868,023	-
Interest and investment earnings				1,353,760	-
Contributions to permanent funds				564,631	-
Miscellaneous				5,081,502	261,517
Total general revenues				<u>406,229,574</u>	<u>18,847,246</u>
Change in net position (deficit)				37,120,188	(457,425)
Net position (deficit) - beginning				<u>(982,801,104)</u>	<u>(2,206,838)</u>
Prior period adjustment				<u>(184,061,258)</u>	<u>-</u>
Net position (deficit) - beginning, as restated				<u>(1,166,862,362)</u>	<u>(2,206,838)</u>
Net position (deficit) - ending				<u>(\$ 1,129,742,174)</u>	<u>(\$ 2,664,263)</u>

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

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2018

Statement C

	General	Permanent Fund - CEEF	Non Major Governmental Funds	Total
ASSETS				
Cash and cash equivalents	\$ 58,503,990	\$ -	\$ 25,562,229	\$ 84,066,219
Cash and cash equivalents- restricted	-	22,194,497	-	22,194,497
Receivables	10,276,305	-	10,363,709	20,640,014
Interfund receivables	6,604,496	-	-	6,604,496
Inventory	1,197,136	-	233,340	1,430,476
Other assets	505,000	-	848	505,848
Total assets	\$ 77,086,927	\$ 22,194,497	\$ 36,160,126	\$ 135,441,550
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 635,888	\$ -	\$ 5,197,691	\$ 5,833,579
Salaries and wages payable	48,839,674	-	6,317,325	55,156,999
Interfund payables	-	-	6,604,496	6,604,496
Unearned revenue	20,125	-	-	20,125
Total Liabilities	49,495,687	-	18,119,512	67,615,199
Fund balances				
Nonspendable	1,702,136	22,194,497	233,340	24,129,973
Restricted	-	-	17,581,915	17,581,915
Committed	21,727,703	-	225,359	21,953,062
Unassigned	4,161,401	-	-	4,161,401
Total fund balances	27,591,240	22,194,497	18,040,614	67,826,351
Total liabilities and fund balances	\$ 77,086,927	\$ 22,194,497	\$ 36,160,126	\$ 135,441,550

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2018

Statement D

Total fund balances - Governmental Funds at June 30, 2018		\$	67,826,351
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs is reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>			
Costs of capital assets	498,243,717		
Accumulated depreciation	<u>(287,770,866)</u>		210,472,851
<p>Deferred outflows for pensions and refundings are not reported in the governmental funds but are reported in the government wide statements</p>			
Pensions	80,192,252		
Refundings	<u>919,702</u>		81,111,954
<p>Deferred inflows for pensions and refundings are not reported in the governmental funds but are reported in the government wide statements</p>			
Pensions	(84,066,959)		
Refundings	<u>(132,218)</u>	(84,199,177)
<p>Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets, deferred inflows of resources, liabilities, and deferred outflows of resources of the internal service funds are reported in the government wide statements</p>			
		(385,955,960)
<p>Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.</p>			
Long-term liabilities			
General obligation bonds payable	(70,413,940)		
Qualified School Construction bond	(18,929,793)		
Compensated absences payable	(14,724,554)		
Net pension liability	(480,216,737)		
OPEB liability (prior to self insurance)	(426,453,109)		
Claims and judgments payable	(5,418,942)		
Capital lease payable	(1,600,743)		
Interest payable	(808,511)		
Retainage payable	<u>(431,864)</u>		
		(<u>1,018,998,193)</u>
Net Position (Deficit) at June 30, 2018		(\$	<u>1,129,742,174)</u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2018

	General	Permanent Fund- CEEF	Non Major Governmental Funds	Total
Statement E				
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ 102,213,959	\$ -	\$ 29,602,526	\$ 131,816,485
Sales and use	78,464,255	-	-	78,464,255
Interest earnings	1,058,954	193,220	101,586	1,353,760
Medicaid reimbursement	1,522,985	-	-	1,522,985
Miscellaneous revenue from other LEA's	528,376	-	-	528,376
Gaming revenue	-	564,632	-	564,632
Medicare RDS	330,323	-	-	330,323
Other local sources	1,330,362	-	294,791	1,625,153
State sources				
Equalization	185,830,918	-	1,250,000	187,080,918
State revenue sharing	1,582,320	-	285,704	1,868,024
Other state grants or sources	127,845	-	1,787,027	1,914,872
Federal sources	1,031,546	-	53,785,562	54,817,108
Total revenues	<u>374,021,843</u>	<u>757,852</u>	<u>87,107,196</u>	<u>461,886,891</u>
EXPENDITURES				
Current				
Instruction				
Regular programs	150,449,383	-	164,595	150,613,978
Special programs	57,270,125	-	3,208,679	60,478,804
Other instructional programs	19,862,229	-	16,675,310	36,537,539
Support services				
Student services	26,968,835	-	5,007,741	31,976,576
Instructional staff support	18,010,263	-	9,682,055	27,692,318
General administration	4,272,740	-	3,477,085	7,749,825
School administration	29,045,282	-	-	29,045,282
Business services	3,926,280	-	171,458	4,097,738
Plant services	47,340,912	-	27,373	47,368,285
Student transportation services	22,483,295	-	124,383	22,607,678
Central services	7,760,324	-	263,292	8,023,616
Food services	-	-	17,763,096	17,763,096
Community service programs	-	-	719,852	719,852
Capital outlay	790,023	-	23,240,993	24,031,016
Debt service				
Principal retirement	632,976	-	9,648,237	10,281,213
Interest and bank charges	-	-	2,690,011	2,690,011
Total expenditures	<u>388,812,667</u>	<u>-</u>	<u>92,864,160</u>	<u>481,676,827</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(14,790,824)</u>	<u>757,852</u>	<u>(5,756,964)</u>	<u>(19,789,936)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000,000	-	65,319	5,065,319
Transfers out	-	(65,319)	-	(65,319)
Sales of capital assets	49,647	-	1,619	51,266
Other financing sources - capital lease agreement	789,979	-	-	789,979
Total other financing sources (uses)	<u>5,839,626</u>	<u>(65,319)</u>	<u>66,938</u>	<u>5,841,245</u>
Net change in fund balances	<u>(8,951,198)</u>	<u>692,533</u>	<u>(5,690,026)</u>	<u>(13,948,691)</u>
FUND BALANCES - BEGINNING	<u>36,542,438</u>	<u>21,501,964</u>	<u>23,730,640</u>	<u>81,775,042</u>
FUND BALANCES - ENDING	<u>\$ 27,591,240</u>	<u>\$ 22,194,497</u>	<u>\$ 18,040,614</u>	<u>\$ 67,826,351</u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year ended June 30, 2018

		Statement F
Total net change in fund balances - governmental funds	(\$	13,948,691)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated		
Depreciation expense	(17,827,469)	
Capital outlays	19,862,214	
Capital asset reclassifications and adjustments related to prior year	(131,120)	
Loss on disposal of capital assets	(59,063)	
Net cost of capital assets		1,844,562
Deferred inflows and outflows for refundings are not reported in the governmental funds but are reported in the government wide financial statements and amortized over the life of the bonds.		
	(78,477)
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.		
		42,951,104
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Repayment of bond principal		9,652,706
Other financing source - capital lease	(726,700)
Payment of capital lease		594,570
Amortization of gain/loss of refunding bonds, net		359,628
Internal services funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service fund is reported with governmental activities.		
	(3,295,814)
In the Statement of Activities, certain expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned exceeded the amounts used by		
	(555,091)
Some expenses reported in the statement of activities are not matured and, therefore, are not reported as expenditures in governmental funds.		
Claims and judgments and retainage		145,205
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		
		177,186
Change in net position of governmental activities		<u>\$ 37,120,188</u>

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

Caddo Parish School Board
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Fund Net Position (Deficit)
June 30, 2018

Statement G

ASSETS	
Cash and cash equivalents	\$ 47,897,415
Total current assets	<u>47,897,415</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	800,218
Total deferred outflows of resources	<u>800,218</u>
LIABILITIES	
Current liabilities	
Accounts payable	2,365,870
Claims payable	7,687,830
Total current liabilities	<u>10,053,700</u>
Noncurrent liabilities	
Net OPEB liabilities	<u>402,013,059</u>
Total liabilities	<u>412,066,759</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred outflows related to OPEB	22,586,834
Total deferred outflows of resources	<u>22,586,834</u>
NET POSITION	
Unrestricted net position (deficit)	<u>(385,955,960)</u>
Total net position (deficit)	<u><u>(\$ 385,955,960)</u></u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
For the Year ended June 30, 2018

	Statement H
OPERATING REVENUE	
Premiums	\$ 106,595,213
Total operating revenue	<u>106,595,213</u>
OPERATING EXPENSES	
Medical claims	27,307,285
Prescription claims	25,623,465
OPEB expense	48,157,822
Administration	<u>3,817,519</u>
Total operating expenses	<u>104,906,091</u>
Operating income (loss)	1,689,122
NON OPERATING REVENUES	
Earnings on investments	<u>15,064</u>
Transfer out to General Fund	<u>(5,000,000)</u>
Changes in net position	(3,295,814)
NET POSITION (DEFICIT) - BEGINNING	
(198,598,888)	
Prior period adjustment	
(184,061,258)	
NET POSITION (DEFICIT) - BEGINNING AS RESTATED	
<u>(382,660,146)</u>	
NET POSITION (DEFICIT) - ENDING	
<u><u>(\$ 385,955,960)</u></u>	

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

FIDUCIARY FUND
Statement of Fiduciary Net Position
June 30, 2018

Statement J

	Other Post Employment Benefits Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 38,138	\$ 5,477,143
Investments - CD's	-	310,756
Investments - Corporate bonds	14,437,408	-
Investments - U.S. government securities	6,531,083	-
Receivables	475,346	-
	\$ 21,481,975	\$ 5,787,899
LIABILITIES		
Deposits due to others	\$ -	\$ 5,787,899
	\$ -	\$ 5,787,899
NET POSITION		
Restricted for OPEB	\$ 21,481,975	\$ -

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

FIDUCIARY FUND
Statement of Change In Fiduciary Net Position
For the Year ended June 30, 2018

Statement K

	Other Post Employment Benefits Trust Fund
ADDITIONS	
Employer contributions	\$ 330,323
Earnings on investments	130,781
Total additions	461,104
DEDUCTIONS	
General and administrative expenses	186,668
Change in net position	274,436
Net position held in trust for OPEB benefits - beginning	21,207,539
Net position held in trust for OPEB benefits - ending	\$ 21,481,975

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

COMPONENT UNITS
Combining Statement of Net Position
June 30, 2018

Statement L

	Shreveport Charter Foundation, Inc. (Magnolia)	Pathways in Education - Louisiana, Inc. (Pathways)	AMIkids Caddo, Inc.	Total Component Units
Assets				
Cash and cash equivalents	\$ 2,255,217	\$ 1,332,310	\$ 160,323	\$ 3,747,850
Receivables	82,742	-	14,461	97,203
Other assets	155,075	45,885	69,472	270,432
Capital assets net of accumulated depreciation				
Buildings and equipment	25,689,192	1,104,219	7,622	26,801,033
Total assets	<u>28,182,226</u>	<u>2,482,414</u>	<u>251,878</u>	<u>30,916,518</u>
Liabilities				
Accounts payable	1,223,282	296,874	420,068	1,940,224
Long-term liabilities				
Due within one year	439,712	-	8,168	447,880
Due in more than one year	30,544,861	647,816	-	31,192,677
Total liabilities	<u>32,207,855</u>	<u>944,690</u>	<u>428,236</u>	<u>33,580,781</u>
Net Position				
Net investment in capital assets	-	1,104,219	7,622	1,111,841
Unrestricted net position	(4,025,629)	433,505	(183,980)	(3,776,104)
Total net position	<u>(\$ 4,025,629)</u>	<u>\$ 1,537,724</u>	<u>(\$ 176,358)</u>	<u>(\$ 2,664,263)</u>

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

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

COMPONENT UNITS
Combining Statement of Activities
For the Year ended June 30, 2018

Statement M

	Shreveport Charter Foundation, Inc. (Magnolia)	Pathways in Education - Louisiana, Inc. (Pathways)	AMKids Caddo, Inc.	Total Component Units
Expenses	\$ 14,760,599	\$ 3,798,506	\$ 1,728,634	\$ 20,287,739
Program Revenues				
Operating grants and contributions	629,592	296,340	57,136	983,068
Net program (expenses) revenue	(14,131,007)	(3,502,166)	(1,671,498)	(19,304,671)
General Revenues				
Grants and contributions not restricted to specific programs				
Minimum Foundation Program	12,658,626	4,123,829	1,803,274	18,585,729
Miscellaneous	260,062	-	1,455	261,517
Total general revenues	12,918,688	4,123,829	1,804,729	18,847,246
Change in Net Position	(1,212,319)	621,663	133,231	(457,425)
Net position (deficit), beginning	(2,813,310)	916,061	(309,589)	(2,206,838)
Net position (deficit), ending	(\$ 4,025,629)	\$ 1,537,724	\$ (176,358)	(\$ 2,664,263)

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

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Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

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Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Caddo Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY

The Caddo Parish School Board (“School Board”) was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Caddo Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of twelve members who are elected from twelve districts for terms of four years.

The School Board operates 64 schools within the parish with a total enrollment of approximately 40,000 pupils in the 2016-2017 school year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board has three component units, the Shreveport Charter Foundation, Inc. (“Magnolia” or “Magnolia School of Excellence”), Pathways in Education – Louisiana, Inc. (“Pathways”), and AMIkids Caddo Inc. (“AMIkids”). These charter schools are presented as discretely presented component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Magnolia, Pathways, and AMIkids are included in the reporting entity because they are fiscally dependent on the School Board for the majority of their revenue, and because exclusion would render the School System’s financial statements incomplete or misleading. However, the charter schools are legally separate entities and, as such, each appoints its own Board. Magnolia is a Type I Charter School that opened in the fall of 2014. It has a June 30 year end. Complete financial statements of this component unit can be obtained from Shreveport Charter Foundation, Inc., 2290 Clyde Fant Parkway, Shreveport, Louisiana 71104. Pathways is a Type I Charter School that opened in the Fall of 2015. It has a June 30 year end. Complete financial statements of this component unit can be obtained from Pathways in Education – Louisiana, Inc., 8999 Mansfield Road, Shreveport, Louisiana 71118. AMIkids is a Type I Charter School that opened in the Fall of 2016. It has a June 30 year end. Complete financial statements of this component unit can be obtained from AMIkids Caddo, Inc., 3860 Hutchinson Street, Shreveport, Louisiana 71109.

The School Board and its component units represent the reporting entity. Additionally, the School Board is a legally separate elected governing body and does not meet the definition of a component unit of any other entity.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

B. FUNDS

The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into three categories: governmental, proprietary and fiduciary.

Governmental Funds: Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General Fund - the primary operating fund of the School Board accounts for all financial resources, except those accounted for in other funds.

Permanent Fund - CEEF - used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended.

Proprietary Funds: Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

Internal Service Fund - used to account for health insurance for employees of the School Board on a cost reimbursement basis.

Fiduciary Funds: Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School Activities Fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Office Concession Agency Fund - accounts for monies collected by school board employees working in the central office coffee shop for the purpose of replenishing items sold and maintenance of coffee shop equipment.

Pension (and Other Postemployment Benefits) Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contributions plans, other postemployment benefit plans, or other employee benefit plans.

Other Postemployment Benefits Trust Fund - accounts for the assets held in an irrevocable trust for payment of retirees' health insurance premiums and costs.

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C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting, and Financial Reporting for Non-exchange Transactions. The effect of Interfund Activity has been eliminated from the government-wide financial statements.

Internal activities: The employees' medical insurance internal service fund provides services to the governmental funds. Accordingly, the employees' insurance fund activity was rolled up into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. The interfund services provided and used are not eliminated in the process of consolidation.

Program revenues Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses: The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

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Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when underlying exchange transaction occurs and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other financing sources (uses) are transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) and are accounted as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Proprietary Fund: Proprietary fund is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet.

Operating revenues and expenses: Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds: The fiduciary funds include *agency funds and a trust fund*, which are custodial in nature and do not present results of operations or have a measurement focus. Agency and trust funds are accounted for using the accrual basis of accounting. The trust fund uses the economic resources measurement focus.

D. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board members the proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board members' approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

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Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and at the fund level for the special revenue funds.

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the School Board intends to honor the purchase orders and commitments, they are reported as restricted or committed fund balances in the fund financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board. Legally, the School Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the functional level and management can transfer amounts between line items within a function. Amendments to the budget during the year were considered to be insignificant.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVESTMENTS

Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

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G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided or used are not eliminated in the process of consolidation.

I. INVENTORY AND PREPAID ITEMS

Inventory is recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

Inventory of the child nutrition program special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Unused commodities at June 30 are reported as unearned revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture. During the year ended June 30, 2018, the School Board received cash in lieu of commodities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

J. CAPITAL ASSETS

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The School Board maintains a threshold level for capitalization of the following: \$100,000 for buildings, building improvements and intangibles, \$50,000 for land and land improvements, \$100,000 for intangibles and \$5,000 for equipment and vehicles. Donated capital assets are recorded at their acquisition value at the time of acquisition.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	25 – 45 years
Land improvements	10 – 25 years
Building improvements	10 – 30 years
Furniture and equipment	5 – 20 years
Vehicles	5 – 8 years
Intangibles - software	10 years
Intangibles - other	10 years

Land and construction in progress are not depreciated.

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K. UNEARNED REVENUES

The School Board reports unearned revenues on its Statement of Net Position and fund balance sheet. Unearned revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

L. COMPENSATED ABSENCES

All 12-month employees earn ten to twenty days of vacation leave each year depending upon length of service. Vacation leave may be accumulated up to one hundred and fifty percent of their annual allotment. Upon termination, employees may be paid for their accumulated balance.

All School Board employees earn twelve to sixteen days of sick leave each year depending upon length of service. Sick leave may be accumulated without limitation. Upon retirement or death unused accumulated sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees current rate of pay and all unused sick leave is used in the retirement computation as earned service.

Sabbatical leave may be granted for medical reasons and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

The School Board's recognition and measurement criteria for compensated absences follow:

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' right to receive compensation is attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses the latter approach to accrue the liability for sick leave which includes salary-related payments. Employees with ten years or more of experience are included.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

All School Board employees earn 90 days of extended sick leave that can be used over a 6 year period. It is paid at a rate of 65% of their daily rate of pay. At the end of each 6 year period, the available days is reset to 90 days. All School Board employees earn 30 days catastrophic sick days that can be used over a 6 year period. It is paid at 50% of their daily rate of pay. At the end of each 6 year period, the available days is reset to 30 days.

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M. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher's Retirement System of Louisiana (TRSL), State of Louisiana School Employees' Retirement System (LSERS), and Louisiana State Employees' Retirement System (LASERS) (collectively the "Retirement Plans") and additions to/deductions from the Retirement Plans' fiduciary net position have been determined on the same basis as they are reported by the Retirement Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. OTHER POST-EMPLOYMENT BENEFITS

The fiduciary net position of the Caddo Parish Public School Board Retiree Benefits Plan (the OPEB Plan) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the OPEB Plan's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has deferred outflows related to unamortized loss from refunding bonds, net pension liability, and net OPEB liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has deferred inflows related to unamortized gain from refunding bond, net pension liability, and net OPEB liability.

P. LONG-TERM LIABILITIES

For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Q. RESTRICTED NET POSITION

For the government-wide statement of net position, net position are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or, imposed by law through constitutional provisions or enabling legislation.

Net Position as of June 30, 2018, restricted by enabling legislation, is \$39,920,590.

R. FUND BALANCES OF FUND FINANCIAL STATEMENTS

GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

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Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of resolutions that were passed at a School Board meeting committing the funds.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. The School Board currently does not have a policy authorizing the assignment of fund balance.

Unassigned: Fund balance that is the residual classification for the general fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first, then restricted resources as necessary. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

S. INTERFUND ACTIVITY

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

T. SALES TAXES

The Caddo Parish School Board has the following three sales tax ordinances:

The voters of Caddo Parish approved on June 6, 1967, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 27, 1969, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 4, 1985, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and other School Board employees and for the operation of public schools in Caddo Parish.

U. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the

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reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

V. ADOPTION OF NEW FINANCIAL STANDARDS

The School Board adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. The adoption of Statement No. 75 has resulted in the restatement of the School Board's fiscal year 2017 government-wide statements and the internal service fund financial statements to reflect the reporting of the net OPEB liability in accordance with the provisions of the statement (See Note 7).

W. FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued several pronouncements that have effective dates that may impact future presentations. The School Board is currently evaluating the potential impacts of the following GASB statements on its accounting practices and financial statements.

- GASB Statement No. 84, *Fiduciary Activities*.
- GASB Statement No. 87, *Leases*.
- GASB Statement No. 88, *Certain Disclosures Related to Debt*.

NOTE 2 - LEVIED TAXES

The School Board levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Caddo Parish Sheriff's office bills and collects property taxes for the School board. Collections are remitted to the School Board monthly.

Property Tax Calendar	
Assessment date	January 1
Levy date	Not later than June 1
Tax bills mailed	On or about November 25
Due date	December 31
Lien date	January 1
Tax sales – 2017 delinquent property	On or about May 15

Assessed values are established by the Caddo Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2017. Total assessed value was \$1,758,349,507 in calendar

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year 2017. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. The homestead exemption was \$335,245,281 of the assessed value in calendar year 2017.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.00% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, parish-wide capital projects fund, and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2018 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the bulk of property taxes are collected by the Sheriff in December, January, and February.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional	Statutory	7.85	7.70	n/a
Maintenance and operation	May 4, 2013	17.11	16.77	2023
Operation, Maintenance, and Support	May 4, 2013	11.26	11.04	2024
Employee Salaries & Benefits	April 9, 2016	20.18	20.18	2026
Technology	April 9, 2016	1.25	1.25	2026
Special Building, Repair, & Equipment	May 4, 2013	6.86	6.73	2023
Special Renovations	April 9, 2016	5.15	5.15	2026
Bond and Interest	October 18, 1997	Variable	5.00	2033

NOTE 3 - DEPOSITS AND INVESTMENTS

Governmental and Agency Funds

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk: At year-end, the School Board's carrying amount of deposits was \$159,984,168 and the bank balance was \$62,374,080.

These deposits are reported as follows: Statement A-cash and cash equivalents, \$131,963,634; Statement A-restricted cash and cash equivalents, \$22,194,497; and Statement J-cash and cash equivalents, \$5,826,037. Of the

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bank balance, \$101,333,098 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. There were no unsecured funds as of June 30, 2018. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's investment policy does not specifically address custodial credit risk.

The deposits include a balance of \$33,655,268 in a sweep account. Funds in this account are invested in U. S. Government securities at night and swept back to the bank account the next morning. The agreement with the bank specifies that all purchased securities in the possession of the bank shall be segregated from other securities in its possession and shall be identified as subject to the terms of the agreement.

Restricted cash is reported on the statement of net position. This is cash in the Caddo Educational Excellence Fund (CEEF) permanent fund.

Other Post-employment Benefits Trust Fund

The School Board follows the state law regarding investments in postemployment benefits funds by political subdivisions, R.S. 33:5161 and R.S. 33:5162. In summary, funds may be invested in direct U.S. Treasury Obligations, debt which is issued or guaranteed by federal agencies and backed by the full faith and credit of the U.S., direct security repurchase agreements of any federal book-entry only securities, debt issued by Corporations of the U.S. which are rated Baa or better by Moody's, Inc. or BBB or better by Fitch or Standard and Poor's Corporation, money market mutual funds or Louisiana Asset Management Pool.

Fair Value Measurements: The School Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The implementation of this new statement did not change the method of measuring the fair value of the School Board's assets. These guidelines recognize a three-tiered fair value hierarchy.

- Level 1—Investments reflect prices quoted in active markets.
- Level 2—Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3—Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix and market-corroborate pricing and inputs such as yield curves and indices. Matrix pricing is used to value securities based on the securities' relationship to benchmark quote prices.

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Investments by Fair Value Level	6/30/2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U. S. government securities	\$ 7,494,957	\$ 485,274	\$ 7,009,683	\$ -
Corporate bonds	13,473,534	13,473,534	-	-
Total	\$ 20,968,491	\$ 13,958,808	\$ 7,009,683	\$ -

Interest Rate Risk: The state law does not address specific policies for managing interest rate risk. The following table provides information about interest rate risk associated with the other postemployment benefits trust fund.

Description of investment	Fair Value	Maturity			
		Less than 1 Year	1 - 3 Years	3 - 5 Years	5 - 7 Years
U. S. government securities	\$ 7,494,960	\$ 1,393,697	\$ 4,161,403	\$ 1,939,860	\$ -
Corporate bonds	13,473,531	962,013	8,283,708	4,227,810	-
Total	\$ 20,968,491	\$ 2,355,710	\$ 12,445,111	\$ 6,167,670	\$ -

Custodial Credit Risk: The School Board's policy regarding custodial credit risk is that funds on deposit shall be collateralized an amount at all times equal to 100% by pledged "approved securities" as specified by La. R.S. 39:1225 as amended to adequately protect the funds of the School Board. Cash of \$481,181 is held in a trust account.

Credit Rate Risk: The credit risk of the other postemployment benefits trust fund is managed by restricting investments to those authorized by R.S. 33:5162. The School Board's policy does not address credit rate risk.

Description of investment	Fair Value	Rating by Standard & Poor's		
		AA	A	BBB
U. S. government securities	\$ 7,494,960	\$ 7,494,960	\$ -	\$ -
Corporate bonds	13,473,531	567,078	4,581,103	8,325,350
Total	\$ 20,968,491	\$ 8,062,038	\$ 4,581,103	\$ 8,325,350

Concentration of Credit Risk: R.S. 33:5162 provides that all fixed income investments shall be appropriately diversified by maturity, security, sector, and credit quality. At June 30, 2018, no more than 5 percent of the other postemployment benefits trust fund's total investments were invested in any single issuer.

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NOTE 4 - RECEIVABLES

The receivables at June 30, 2018, are as follows:

Class of Receivables	General	Non Major Governmental	Total
Taxes:			
Ad Valorem	\$ 466,896	\$ 138,412	\$ 605,308
Sales Tax	7,186,244	-	7,186,244
Intergovernmental grants:			
Federal	967,076	9,965,866	10,932,942
State	1,212,700	250,493	1,463,193
Other	443,389	8,938	452,327
Total	<u>\$ 10,276,305</u>	<u>\$ 10,363,709</u>	<u>\$ 20,640,014</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

NOTE 5 - CAPITAL ASSETS

Capital assets balances and activity for the year ended June 30, 2018, are as follows:

	Balance Beginning	Adjustments or Reclassifications	Additions	Deletions	Balance Ending
Governmental activities					
Capital assets not being depreciated					
Land	\$ 4,871,357	\$ (75,000)	\$ -	\$ -	\$ 4,796,357
Construction in progress	8,906,623	(50,881)	15,806,071	17,382,677	7,279,136
Total capital assets not being depreciated	<u>13,777,980</u>	<u>(125,881)</u>	<u>15,806,071</u>	<u>17,382,677</u>	<u>12,075,493</u>
Capital assets being depreciated					
Buildings & improvements	404,391,521	960,313	16,773,362	-	422,125,196
Furniture and equipment	29,286,416	(49,739)	3,338,223	2,902,290	29,672,610
Transportation equipment	32,288,478	(915,813)	832,656	-	32,205,321
Intangibles - software	1,670,518	-	494,579	-	2,165,097
Total capital assets being depreciated	<u>467,636,933</u>	<u>(5,239)</u>	<u>21,438,820</u>	<u>2,902,290</u>	<u>486,168,224</u>
Total cost of capital assets	<u>481,414,913</u>	<u>(131,120)</u>	<u>37,244,891</u>	<u>20,284,967</u>	<u>498,243,717</u>
Less accumulated depreciation					
Buildings & improvements	225,167,018	-	13,798,897	-	238,965,915
Furniture and equipment	19,656,823	-	3,361,293	2,843,227	20,174,889
Transportation equipment	26,760,573	-	497,772	-	27,258,345
Intangibles - software	1,202,210	-	169,507	-	1,371,717
Total accumulated depreciation	<u>272,786,624</u>	<u>-</u>	<u>17,827,469</u>	<u>2,843,227</u>	<u>287,770,866</u>
Total capital assets being depreciated, net	<u>194,850,309</u>	<u>(5,239)</u>	<u>3,611,351</u>	<u>59,063</u>	<u>198,397,358</u>
Governmental activities					
Capital assets, net	<u>\$ 208,628,289</u>	<u>\$ (131,120)</u>	<u>\$19,417,422</u>	<u>\$ 17,441,740</u>	<u>\$ 210,472,851</u>

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Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 2,943,743
Special programs	121,100
Other instructional programs	86,912
Instructional staff support	162,077
General administration	447
School administration	17,116
Business services	10,803
Plant services	13,488,238
Student transportation services	912,107
Food services	84,926
Total depreciation expense	<u>\$ 17,827,469</u>

NOTE 6 - RETIREMENT SYSTEMS

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System Louisiana ("TRSL"), the Louisiana School Employees' Retirement System ("LSERS"), or the Louisiana State Employees' Retirement System ("LASERS"), all of which are administered on a statewide basis. The authority to establish and amend the benefit terms of TRSL, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes.

TRSL, LSERS, and LASERS each issue publicly available financial reports that can be obtained at www.trsl.org, www.lasers.net, and www.lasersonline.org, respectively.

Disclosures relating to these plans follow:

Plan Descriptions

TRSL

Plan Description

TRSL was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:700-999, as amended for eligible teachers, employees, and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits, and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Normal Retirement

Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

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Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.

Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

For all plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable accrual rate, and by the years of creditable service. For Regular Plan and Lunch Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or as a lump sum that can't exceed 36 months of the members' maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3rd anniversary of retirement eligibility. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post -DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based on the account balance.

Disability Retirement Benefits

Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor Benefits

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible. Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education. A surviving

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spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

Permanent Benefit Increases/Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Optional Retirement Plan (ORP)

ORP was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement. The ORP is a defined contribution pension plan which provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

LSERS

Plan Description

The State of Louisiana School Employees' Retirement System is the administrator of a cost-sharing multiple-employer defined benefit pension plan and is a component unit of the State of Louisiana and is included in the State's CAFR as a Pension Trust Fund. The System was established and provided for by R.S.11:1001 of the Louisiana Revised Statutes (LRS). The accompanying statements present information only as to transactions of the System as authorized by Louisiana Revised Statutes. The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements

Membership is mandatory for all persons employed by a Louisiana Parish or City School Board or by the Lafourche Special Education District #1 who work more than twenty hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

All temporary, seasonal and part-time employees as defined in federal Regulations 26 CFR 31:3121(b)(7)-2 are not eligible for membership in the Plan. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

Benefits

Benefit provisions are authorized and amended under Louisiana Revised Statutes. Benefit provisions are dictated by LA R.S. 11:1141 - 11:1153. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for

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normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit. For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who join the system on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the Plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

Disability

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A member who joins the system on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the Plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

Deferred Retirement Option Plan (DROP)

Members of the Plan may elect to participate in DROP and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the system terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the Plan. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account. The Plan maintains subaccounts within this account reflecting the credits attributed to each participant in the Plan. Interest credited and payments from the DROP account are made in accordance with LA R.S. 11:1152(E)(3). Upon termination of participation in both the Plan and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The Plan also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Initial Benefit Retirement Plan (IBRP)

Effective January 1, 1996, the state legislature authorized the Plan to establish an IBRP program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with LA R.S. 11:1152(F)(3).

LASERS

Plan Description

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Benefits

The State Legislature authorized LASERS to establish DROP. When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than LASER's realized return on its portfolio (not to be

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less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Employer Contributions

TRSL

The employer contribution rate is established annually under LA R.S. 11:101 - 11:104 by the Public Retirement Systems Actuarial Committee (PRSACX) taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan.

The normal cost portion of each plan's employer contribution rate varies based upon that plan's benefits, member demographics, and the rate contributed by employees. The Unfunded Accrued Liability (UAL) contribution rate is determined in aggregate for all plans. The UAL established due to a specific plan or group of plans because of legislation will be allocated entirely to that plan or those plans.

For ORP, only the UAL portion of the employer contribution is retained by the plan. Therefore, only the UAL projected rates were used in the projection of future contributions in determining an employer's proportionate share.

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Contributions Required and Made- Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are as follows:

	Employee	Employer
Teachers' Regular	8.00%	26.6%
Lunch Plan B	5.00%	28.2%

The School Board's contributions to TRSL for the year ended June 30, 2018, were \$52,973,838, equal to the required contributions for each year.

LSERS

Employer Contributions

Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2018 was 27.8%. The actual employer rate for the years ended June 30, 2018 was 30.4%.

Contributions Required and Made

Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earning to the plan. Current contribution rates for the plans are 7.5% for participating employees hired on or before June 30, 2006, 8% for participating employees hired on or after July 1, 2006, and 30.4% for the School System.

The School Board's contributions to LSERS for the years ended June 30, 2018, 2017, and 2016, were \$5,023,631, \$4,833,583, and \$5,549,918, respectively, equal to the required contributions for each year.

LASERS

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership.

Contributions Required and Made

Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are 7.5% for participating employees hired on or before June 30, 2006, 8% for employees hired on or after July 1, 2006, and 37.9% for the School System.

The School Board's contributions to LASERS for the years ended June 30, 2018, 2017, and 2016, were \$197,475, \$212,130 and \$231,131, respectively, equal to the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liabilities were measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability for TRSL and LASERS was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Schools Board's proportion of the net pension liability of LSERS was based on the School Board's historical contributions.

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The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2017, and the change compared to the June 30, 2016, proportion.

	Net Pension Liability at June 30, 2018	Proportion at June 30, 2017	Increase (Decrease) to June 30, 2016 Proportion
TRSL	\$ 438,484,063	4.27711%	-0.13404%
LSERS	39,488,553	6.17079%	-0.30502%
LASERS	2,244,121	0.03188%	-0.00197%
	<u>\$ 480,216,737</u>		

The following table reflects the School Board's recognized pension expense plus the School Board's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2018.

	Pension Expense	Amortization	Total
TRSL	\$ 33,888,068	\$ (18,068,232)	\$ 15,819,836
LSERS	1,144,141	(6,313)	1,137,828
LASERS	205,347	(261,237)	(55,890)
	<u>\$ 35,237,556</u>	<u>\$ (18,335,782)</u>	<u>\$ 16,901,774</u>

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>TRSL</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,413,677
Changes in assumptions	4,623,824	-
Net difference between projected and actual earnings on pension plan investments	-	11,325,252
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,333,808	52,928,166
Employer contributions subsequent to the measurement date	52,973,838	-
Total TRSL	<u>\$ 73,931,470</u>	<u>\$ 78,667,095</u>

<u>LSERS</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 920,837
Changes in assumptions	827,995	615,167
Net difference between projected and actual earnings on pension plan investments	-	617,469
Changes in proportion and differences between employer contributions and proportionate share of contributions	125,793	3,053,048
Employer contributions subsequent to the measurement date	5,023,631	-
Total LSERS	<u>\$ 5,977,419</u>	<u>\$ 5,206,521</u>

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<u>LASERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 41,177
Changes in assumptions	8,866	-
Net difference between projected and actual earnings on pension plan investments	72,975	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,047	152,166
Employer contributions subsequent to the measurement date	197,475	-
Total LASERS	<u>\$ 283,363</u>	<u>\$ 193,343</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
TRSL	\$ 73,931,470	\$ 78,667,095
LSERS	5,977,419	5,206,521
LASERS	283,363	193,343
	<u>\$ 80,192,252</u>	<u>\$ 84,066,959</u>

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date of \$58,194,944 will be recognized as a reduction of net pension liability in the subsequent fiscal year ending June 30, 2019. The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
TRSL	\$ 52,973,838
LSERS	5,023,631
LASERS	197,475
	<u>\$ 58,194,944</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30:</u>	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
2019	\$ (28,744,143)	\$ (3,559,998)	\$ (110,429)	\$ (32,414,570)
2020	(4,028,943)	483,729	18,950	(3,526,264)
2021	(10,407,915)	260,280	29,203	(10,118,432)
2022	(14,528,462)	(1,436,744)	(45,179)	(16,010,385)
	<u>\$ (57,709,463)</u>	<u>\$ (4,252,733)</u>	<u>\$ (107,455)</u>	<u>\$ (62,069,651)</u>

Caddo Parish School Board
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Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018, are as follows:

	TRSL	LSERS	LASERS
Valuation Date	June 30, 2017	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	-	-
Actuarial Assumptions:			
Expected Remaining Service Lives	5 years	3 years, closed period	3 years
Investment Rate of Return	7.70% net of investment expenses	7.125% net of investment expenses	7.70% per annum.
Inflation Rate	2.5% per annum.	2.625%	2.75% per annum.
Salary Increases	3.50%-10.0% varies depending on years of service.	2008-2012 experience study, ranging from 3.075% to 5.375%.	2009-2013 experience study, ranging from 3.4% to 14.3%
Cost of Living Adjustments	None	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Mortality	Mortality rates based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.	Non-disabled members - Mortality rates based on the RP-2000 Sex Distinct Morality Table Disabled members - RP-2000 Disabled Lives Mortality Table.	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.

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The following table lists the methods used by each of the pension plans in determining the long-term rate of return on pension plan investments:

TRSL	LSERS	LASERS
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected inflation and an adjustment for the effect of rebalancing/diversification.	The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2017:

Asset Class	Target Allocation			Long-Term Expected Portfolio Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	-0.24%
Domestic equity	27.0%	51.0%	25.0%	4.28%	3.10%	4.31%
International equity	19.0%	-	32.0%	4.96%	-	5.35%
Domestic fixed income	13.0%	30.0%	10.0%	1.98%	1.82%	1.73%
International fixed income	5.5%	-	4.0%	2.75%	-	2.49%
Private Equity	-	-	-	8.47%	-	-
Alternative investments	35.5%	13.0%	22.0%	3.51%	0.79%	7.41%
Global asset allocation	-	-	7.0%	-	-	2.84%
Real assets	-	6.0%	-	-	0.36%	-
Total	100.0%	100.0%	100.0%	n/a	6.07%	n/a
Inflation					2.00%	
Expected Arithmetic Nominal Return					8.07%	

n/a – amount not provided by Retirement System

Discount Rates

The discount rates used to measure the total pension liability for TRSL, LSERS, and LASERS were 7.70%, 7.125%, and 7.70%, respectively, for the year ended June 30, 2017.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference

Caddo Parish School Board
Notes to the Basic Financial Statements
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between actuarially determined contribution rates and member rate. Based on those assumptions, each of the pension plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Board's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the School Board's proportionate share of the Net Pension Liability (NPL) using the discount rate of each pension plan as well as what the School Board's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
TRSL			
Discount rate	6.70%	7.70%	8.70%
Share of NPL	\$ 564,996,721	\$ 438,484,062	\$ 330,862,801
LSERS			
Discount rate	6.125%	7.125%	8.125%
Share of NPL	\$ 54,134,162	\$ 39,488,552	\$ 26,911,403
LASERS			
Discount rate	6.70%	7.70%	8.70%
Share of NPL	\$ 2,817,238	\$ 2,244,120	\$ 1,756,834

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2018, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$1,657,935 for its participation in TRSL, LSERS and LASERS do not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS or LASERS for the year ended June 30, 2018.

Pension Plans Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for TRSL, LSERS, and LASERS and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: www.la.gov.

Payables to the Pension Plan

As of June 30, 2018, the School Board had payables due to the pension plans totaling \$10,259,811. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions. The balance due to each of the pension plans is as follows:

	Payables
TRSL	\$ 9,440,704
LSERS	778,561
LASERS	40,546
	\$ 10,259,811

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NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description and Administration - The Board of Trustees of the Caddo Parish School Board Retiree Benefits Funding Trust administers the Caddo Parish Public School Board Retiree Benefits Plan (the Plan) - a single-employer defined benefit plan that is used to provide post-employment benefits other than pensions (OPEB) for all permanent full-time employees of the School Board. The Plan was established in January, 2012. The plan does not issue a publicly available financial report.

Management of the Plan - Management of the plan is vested in the Board of Trustees, which consists of the Superintendent, Chief Financial Officer, and Director of Insurance.

Plan Membership – At June 30, 2018, the Plan’s membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	4,116
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	3,715
	7,831

Benefits Provided – The plan provides lifetime healthcare and life insurance for eligible retirees through the School Board’s group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law R.S. 13:5554(G).

Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), the Louisiana State Employees' Retirement System (LASERS) and the Louisiana School Employees' Retirement System (LSERS). All three systems have similar retirement (D.R.O.P. entry) eligibility provisions. Accordingly, we have assumed the following eligibility for retirement (D.R.O.P. entry): 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. In addition, employees hired on and after January 1, 2011 may not retire prior to age 60 without actuarial reduction in benefits.

Life insurance coverage is available to retirees by election and based on a modified unblended rate (active and retired). The retiree pays 75% of this modified unblended premium. Insurance coverage amounts are reduced to 75% of the original level at age 65 and again to 50% of the original level age 70 according to plan provisions.

Contributions – The School Board has the authority to establish and amend the contribution requirements of the School Board and the plan members. The School Board is not required to make contributions to the trust absent the existence of a contractual obligation mandating contributions. It is anticipated that contributions shall be derived from annual retiree drug subsidy funds. Plan members are not required to contribute to their post-employment benefits costs.

Investments

Investment policy – The Caddo Parish School Board Retiree Benefits Funding Trust’s policy regarding the allocation of invested assets is established and may be amended by the investment advisory board. It is the policy of the investment advisory board to invest trust funds in accordance with the provisions of Louisiana Revised Statutes 33:5162.

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The following was the asset allocation policy as of June 30, 2018:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	0.00%
Fixed Income	99.8%
Cash	0.20%

Concentrations – All plan assets are held in an investment account managed by Reliant Investment Management, LLC and are protected by insurance. The Trust has over 5% invested in the following funds; Federal Home Loan Bank, 11.5%, Federal National Mortgage Assoc., 8.2%, Federal Farm Credit Bank, 12.0%.

Rate of Return – For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was -.21%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the School Board

The components of the net OPEB liability of the School Board at June 30, 2018, were as follows:

Total OPEB liability	\$ 849,948,143
Plan fiduciary net position	<u>21,481,975</u>
School Board's net OPEB liability	<u>\$ 828,466,168</u>
Plan fiduciary net position as a percentage of the total OPEB liability	2.53%

The School Board's net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Investment rate of return	5.0% annually
Healthcare cost trend rates	Graded from 8% down to 5% over ten years

Mortality rates were based on the 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates.

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2017.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	6.0%
Corporate Bonds	5.0%
Agency Bonds	4.0%
Cash	1.0%

Discount Rate – The discount rate used to measure the total OPEB liability was 5.0%. The projection of cash flows used to determine the discount rate assumed that School Board contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	<u>Increases (Decreases)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a)-(b)</u>
Balances at 6/30/2017	\$859,608,074	\$19,708,863	\$839,899,211
Service Cost	11,922,544		11,922,545
Interest Cost at 5.00%	42,035,298		42,035,298
Difference between expected and actual experience	(25,813,525)		(25,813,525)
Employer contributions			
Trust		1,828,998	(1,828,998)
Net investment income		28,779	(28,779)
Benefit payments			
a. From Trust	0	0	0
b. Direct	(37,804,248)		(37,804,248)
Administrative expense			
a. From Trust		(84,665)	84,665
b. Direct	0		0
Net changes:	(9,659,930)	1,773,112	(11,433,042)
Balances at 6/30/2018	<u>\$849,948,143</u>	<u>\$21,481,975</u>	<u>\$828,466,168</u>

Caddo Parish School Board
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Sensitivity of the net OPEB liability to changes in the discount rate – The following represents the net OPEB liability of the School Board, as well as what the School Board’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.0%) or 1-percentage-point higher (5.0%) than the current discount rate:

	1.0% Decrease (4.0%)	Current Discount Rate (5.0%)	1.0% Increase (6.0%)
Net OPEB liability	\$ 957,895,493	\$ 828,466,169	\$ 723,654,054

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following represents the net OPEB liability of the School Board, as well as what the School Board’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0% decreasing to 4.0%) or 1-percentage-point higher (9.0% decreasing to 6.0%) than the current healthcare trend rates:

	1.0% Decrease (7.0% decreasing to 4.0%)	Current Discount Rate (8.0% decreasing to 5.0%)	1.0% Increase (9.0% decreasing to 6.0%)
Net OPEB liability	\$ 722,755,222	\$ 823,466,169	\$ 957,920,135

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the School Board recognized OPEB expense of \$49,986,820. At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 800,218
Net difference between projected and actual earnings on OPEB plan investments	-	(22,586,834)
Total	\$ -	\$ (21,786,616)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Years Ending June 30	Net Amount to be Recognized
2019	\$ (3,026,637)
2020	(3,026,637)
2021	(3,026,637)
2022	(3,026,637)
2023	(3,226,691)
Thereafter	(6,453,377)
	<u>\$ (21,786,616)</u>

Caddo Parish School Board
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Payable to the OPEB Plan

At June 30, 2018, the School Board reported no payables for any outstanding contributions to the OPEB Plan required for the year ended June 30, 2018.

NOTE 8 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY)

A summary of changes in agency fund deposits due others follows:

	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018
School Activities Fund	\$ 5,763,276	\$ 12,673,688	\$ 12,651,793	\$ 5,785,171
Central Office Concession Fund	2,551	765	588	2,728
School Activities Fund	<u>\$ 5,765,827</u>	<u>\$ 12,674,453</u>	<u>\$ 12,652,381</u>	<u>\$ 5,787,899</u>

NOTE 9 - LONG-TERM LIABILITIES

The School Board has issued the following types of long-term liabilities, all which pertain to the School Board's governmental activities.

General Obligation Bonds: The School Board issues general obligation bonds to provide funds for the acquisition of land for schools, to build new facilities and to improve capital assets. General obligation bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds generally are issued as 20- or 25-year serial bonds with varying amounts of principal maturing each year.

Qualified Academy Zone Bond: The School Board has also borrowed funds through this special interest-free loan program sponsored by the U.S. government to fund lighting retrofit programs and to install air-conditioning in school cafeterias. In February 2002, the School Board borrowed \$3,500,000. In March 2008, the School Board borrowed \$1,582,450 to fund technology wiring and disabled access projects.

Qualified School Construction Bond: The School Board received authority under the American Recovery and Reinvestment Act of 2009 (ARRA) to issue taxable bonds for construction, rehabilitation or repair of public school facilities. The bonds are interest free and bond holders receive a tax credit in lieu of interest. In June 2009, the School Board issued revenue bonds of \$17,359,000 to be paid from the constitutional tax of 7.96 mills collected annually. In 2011 the School Board issued revenue bonds of \$20,707,000 to be paid from the constitutional tax of 7.96 mills collected annually.

Summary of Transactions and Balances: The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2018:

	Beginning Balance	Prior Period Adjustment	Additions	Deletions	Ending Balance	Amounts Due Within One year
Bonds payable:						
General Obligation debt	\$ 77,688,566	\$ -	\$ -	\$ 7,274,626	\$ 70,413,940	\$ 5,944,501
Qualified Zone Academy bond	162,716		-	162,716	-	-
Qualified School Construction bond	21,504,785		-	2,574,992	18,929,793	2,537,733
Other liabilities:						
Compensated absences	14,169,463		10,761,671	10,206,580	14,724,554	10,206,580
Capital lease payable	1,468,613		726,700	594,570	1,600,743	561,175
Net pension liability	569,244,069		16,901,774	105,929,106	480,216,737	-
Net OPEB liability	655,837,952	184,061,258	50,787,038	62,220,080	828,466,168	-
Claims & judgments payable	5,723,650		2,607,448	2,912,156	5,418,942	1,990,338
Total	<u>\$ 1,345,799,814</u>	<u>\$ 184,061,258</u>	<u>\$ 81,784,631</u>	<u>\$ 191,874,826</u>	<u>\$ 1,419,770,877</u>	<u>\$ 21,240,327</u>

Caddo Parish School Board
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Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service fund. The Qualified Zone Academy Bonds and Qualified School Construction Bonds payments are made by the parish-wide capital projects fund. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 92.9% was paid by the general fund and the remaining 7.1% by other governmental funds. Claims and judgments payable have typically been liquidated by the general fund. Each governmental fund with payroll expense is also used to liquidate pension liabilities.

	Original Amount	Interest Rates	Range of Maturities	Interest to Maturity	Principal Outstanding
General Obligation Bonds:					
Series 2008	\$ 14,290,000	3.63 to 6.00%	3/1/10 - 3/1/33	\$ 207,381	\$ 2,135,000
Unamortized portion of related bond discount					(16,376)
Refunding Series 2005 Bonds	12,405,000	3.00 to 5.00%	3/1/06 - 3/1/18	-	
Unamortized portion of related bond premium					
Refunding Series 2005A Bonds	12,710,000	3.00 to 5.25%	3/1/06 - 3/1/20	235,250	3,110,000
Unamortized portion of related bond premium					286,630
Refunding Series 2010 Bond	5,365,000	3.45%	3/1/11 - 3/1/21	127,133	1,820,000
Refunding Series 2012 Bond	9,960,000	1.00 to 3.13%	3/1/13 - 3/1/29	1,684,070	8,905,000
Unamortized portion of related bond premium					13,610
Refunding Series 2013 Bond	15,280,000	2.00 to 5.00%	9/1/13 - 3/1/30	3,221,450	12,980,000
Unamortized portion of related bond premium					1,143,636
Refunding Series 2014 Bond	15,810,000	2.00 to 4.00%	3/1/15 - 3/1/31	3,702,556	14,085,000
Unamortized portion of related bond premium					568,337
Refunding Series 2015 Bond	14,530,000	3.00 to 5.00%	3/1/18 - 3/1/32	5,094,700	13,865,000
Unamortized portion of related bond premium					1,966,952
Refunding Series 2016 Bond	8,480,000	3.00 to 4.00%	3/1/23 - 3/1/33	3,466,100	8,480,000
Unamortized portion of related bond premium					1,071,151
QZAB					
Series 2002	3,500,000	n/a	5/1/02 - 11/1/15	n/a	-
Series 2008	1,582,450	n/a	3/1/09 - 3/20/18	n/a	-
QSCB					
Series 2009	17,359,000	n/a	6/1/10 - 6/1/24	n/a	7,352,327
Series 2011	20,707,000	n/a	6/1/12 - 6/1/26	n/a	11,577,466
				<u>\$ 17,738,640</u>	<u>\$ 89,343,733</u>

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All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2018, the School Board had accumulated \$8,903,865 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	General Obligation Bonds		QZAB Loan	QSCB Loan	TOTAL	
	Principal	Interest	Principal	Principal	Principal	Interest
	Payments	Payments	Payments	Payments	Payments	Payments
2019	\$ 5,944,501	\$ 2,425,534	\$ -	\$ 2,537,733	\$ 8,482,234	\$ 2,425,534
2020	6,262,053	2,226,270	-	2,537,733	8,799,786	2,226,270
2021	4,699,083	2,006,823	-	13,854,327	18,553,410	2,006,823
2022	4,334,007	1,859,756	-	-	4,334,007	1,859,756
2023	4,103,887	1,705,375	-	-	4,103,887	1,705,375
2024-2028	26,750,110	5,959,232	-	-	26,750,110	5,959,232
2029-2033	18,320,299	1,555,650	-	-	18,320,299	1,555,650
Total	\$ 70,413,940	\$ 17,738,640	\$ -	\$ 18,929,793	\$ 89,343,733	\$ 17,738,640

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2018, the statutory limit is \$732,758,176 and outstanding net bonded debt totals \$61,510,075.

The School Board defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. At June 30, 2018, \$20,502,683 of bonds outstanding is considered defeased.

Capital Lease Obligation: The School Board has several capital lease agreements. These leases qualify as capital leases for accounting purposes and, therefore, have been reported at the present value of the future minimum lease payments as of the inception date.

The first lease obligation is due in annual installments of \$41,560 which includes interest at 2.58% through December 16, 2018. The two special needs passenger buses purchased under the capital lease total \$197,983 and are included in the capital assets of the School Board.

The second lease obligation is due in annual installments of \$106,197 which includes interest at 2.58% through December 18, 2018. The six passenger buses purchased under the capital lease total \$505,900 and are included in the capital assets of the School Board.

The third lease obligation is due in annual installments of \$37,582 which includes interest at 3.16% through April 1, 2020. The two passenger buses purchased under the capital lease total \$176,746 and are included in the capital assets of the School Board.

The fourth lease obligation is due in annual installments of \$106,759 which includes interest at 2.93% through December 17, 2019. The six passenger buses purchased under the capital lease total \$502,362 and are included in the capital assets of the School Board.

The fifth lease obligation is due in monthly installments of \$12,583 which includes interest at 1.677 % through October 6, 2021. The ten passenger buses purchased under the capital lease total \$723,696 and are included in the capital assets of the School Board.

The sixth lease obligation is due in monthly installments of \$13,166 which includes interest at 3.3350 %

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through March 22, 2023. The eleven passenger buses purchased under the capital lease total \$726,700 and are included in the capital assets of the School Board.

The amortization of the vehicles has been included in the School Board's depreciation expense. Obligations of the School Board's governmental activities under the capital lease at June 30, 2018, are as follows:

Years ending June 30:	Governmental activities		
	Principal Payments	Interest Payments	Total Payments
2019	\$ 561,175	\$ 39,913	\$ 601,088
2020	426,006	27,325	453,331
2021	295,191	13,799	308,990
2022	201,504	8,841	210,345
2023	116,867	1,630	118,497
Total	\$ 1,600,743	\$ 91,508	\$ 1,692,251

NOTE 10 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

The composition of interfund balances as of June 30, 2018, is as follows:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 6,604,496	Non Major Governmental	\$ 6,604,496
Total	\$ 6,604,496		\$ 6,604,496

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the payments between funds are made.

NOTE 11 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

Transfers for the year ended June 30, 2018, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 5,000,000	\$ -
Non Major Governmental	65,319	-
Internal Service Fund (Insurance)		5,000,000
Permanent Fund - CEEF	-	65,319
Totals	\$ 5,065,319	\$ 5,065,319

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. A transfer of interest earned of \$65,319 on the permanent fund - Caddo Educational Excellence Fund (CEEF), was moved to the nonmajor governmental fund, CEEF operating fund. A transfer of \$5,000,000 was a board approved transfer from the Internal Service Fund (Insurance Fund) reserve to the General Fund to help defray the costs of employee raises. The funds used from the reserve originated from employer premium contributions from the General Fund.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 12 - ENCUMBRANCES (FFS LEVEL ONLY)

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2018, the School Board had entered into purchase orders and commitments as follows:

General	Non Major Governmental	Total
\$3,206,798	\$ 9,215,774	\$12,422,572

NOTE 13 - RISK MANAGEMENT

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy.

The School Board is self-insured for workers' compensation. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. This liability does not include incremental costs, if any. The current amounts due and payable are recorded in the respective funds at June 30, 2018, and the remaining liability is included in the government-wide financial statements and paid through each fund.

The School Board is self-insured for health insurance coverage. Claims are funded through operating funds of the School Board. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the internal service fund. This liability is the School Board's best estimate based on available information. The internal service fund for group health insurance benefits incurred a net loss of (\$3,295,814) for the fiscal year. The loss was mostly due to a transfer out to the General Fund of \$5,000,000. The fund had a deficit in net position of (\$385,955,960) at June 30, 2018. The beginning net position was restated with a prior period adjustment to implement GASB 75 which decreased the net deficit by (\$184,061,258).

Changes in the claims amount in previous fiscal years were as follows:

Worker's comp

Year Ended June 30,	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments	Ending of Fiscal Year Liability
2016	\$ 3,303,952	\$ 2,924,413	\$ 2,970,119	\$ 3,258,246
2017	3,258,246	3,347,724	3,124,320	3,481,650
2018	3,481,650	2,607,448	2,912,156	3,176,942

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

Health Insurance

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>Ending of Fiscal Year Liability</u>
2016	\$ 6,826,806	\$ 93,019,647	\$ 92,547,472	\$ 7,298,981
2017	7,298,981	87,482,283	87,686,643	7,094,621
2018	7,094,621	90,586,241	89,993,031	7,687,831

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 14 - LITIGATION AND CLAIMS

Litigation At June 30, 2018, the School Board is involved in various litigation. A claims liability for \$2,242,000 is included in claims payable in the government-wide financial statements.

Construction Projects There are construction projects in progress at June 30, 2018. Construction in progress on these various projects at June 30, 2018 was \$7,279,136. These projects are funded by property tax receipts. The expected completion date is prior to June 30, 2018. The outstanding construction commitment at June 30, 2018, was \$12,422,572.

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Federal Arbitrage Regulations The School Board's bonded indebtedness is subject to the Internal Revenue Code's provisions applicable to arbitrage earnings. In government finance, these earnings result from the temporary investment of the proceeds of a government entity's tax exempt securities in materially higher yielding taxable securities. Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage liability at year end.

NOTE 15 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$15,384. This amount was recognized as revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 16 - ECONOMIC DEPENDENCY

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

primarily based on October 1 student count. The state provided \$187,080,918 to the School Board, which represents approximately 41% of the School Board's total revenues for the year.

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

The Caddo – Shreveport Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The commission is comprised of four members, two each selected from the Caddo Parish School Board and the City of Shreveport, in accordance with the joint agreement of the agencies. Sales taxes of \$78,464,255 were collected by the Commission and distributed to the School Board.

NOTE 18 - FUND BALANCE CLASSIFICATIONS

	General	Permanent Fund - CEEF	Nonmajor Governmental	Total
Non spendable:				
Inventory	\$ 1,197,136	\$ -	\$ 233,340	\$ 1,430,476
Other	505,000	-	-	505,000
Caddo Educational Excellence Fund	-	22,194,497	-	22,194,497
Restricted for:				
School renovations and repairs	-	-	4,104,673	4,104,673
Instructional expenditures from CEEF	-	-	335,471	335,471
Child Nutrition Program	-	-	4,237,906	4,237,906
Debt service	-	-	8,903,865	8,903,865
Committed to:				
Unemployment compensation	742,487	-	-	742,487
Self funded workers' compensation	250,000	-	-	250,000
Insurance	4,000,000	-	-	4,000,000
Data processing	922,869	-	-	922,869
Technology enhancement	15,406,559	-	-	15,406,559
Outstanding legal claims	405,788	-	-	405,788
Educational Excellence Programs	-	-	225,359	225,359
Unassigned	4,161,401	-	-	4,161,401
Total	\$ 27,591,240	\$ 22,194,497	\$ 18,040,614	\$ 67,826,351

NOTE 19 – CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT

During the preparation of the financial statements for the year ended June 30, 2018, the School Board adopted GASB 75 related to post-employment benefits other than pension, as described in Note 1 as adoption of new financial accounting standards. The adoption of GASB 75 had the following impact on the government-wide financial statements beginning net position (deficit) at June 30, 2018:

	Governmental Activities
Ending Net Position (deficit) - June 30, 2017	\$(982,801,104)
Prior Period Adjustments:	
Cumulative effect of changes in accounting principle:	
GASB 75- Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions	(184,061,258)
Beginning Net Position (deficit) – July 1, 2017, as restated	\$(1,166,862,362)

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

The adoption of GASB 75 also had the following impact on the fund financial statements for the Proprietary Fund Type - Internal Service fund beginning net position (deficit) at June 30, 2018:

	Proprietary Fund Type - Internal Service
Ending Net Position (deficit) - June 30, 2017	\$(198,598,888)
Prior Period Adjustments:	
Cumulative effect of changes in accounting principle:	
GASB 75- Accounting and Financial Reporting for	(184,061,258)
Postemployment Benefits Other Than Pensions	
Beginning Net Position (deficit) – July 1, 2017, as restated	\$(382,660,146)

NOTE 20 – SUBSEQUENT EVENTS

In July 2018, an electronic bank transfer of approximately \$988K was made with the intent that it would be deposited in an account for Magnolia Charter School. The information provided via email for the transfer was fraudulent and the charter school did not receive the funds. The Caddo Parish Sheriff along with the FBI is investigating the theft. The authorities were able to locate over \$400K in a bank account in California and have frozen the account and may be able to recover all of these funds. In addition, insurance covers \$100K of the loss.

Management disclosed that there are payments due to TRSL related to corrections to 2014-2018 pension contributions. No liability is recorded as of June 30, 2018, because management does not have enough information yet to estimate what the correction payments will be. Management does not believe it will be material to the financial statements. The liability will be determined in early 2019 and payments will be due by June 30, 2019.

**REQUIRED SUPPLEMENTAL
INFORMATION**

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2018**

Total OPEB Liability	
Service cost	\$ 11,922,544
Interest	42,035,298
Changes of benefit terms	-
Differences between expected and actual experience	(25,813,525)
Changes of assumptions	-
Benefit payments	<u>37,804,248</u>
Net change in total OPEB liability	<u>(9,659,931)</u>
Total OPEB liability - beginning	<u>859,608,074</u>
Total OPEB liability - ending (a)	<u>\$ 849,948,143</u>
Plan Fiduciary Net Position	
Contributions - employer	\$ 1,828,998
Contributions - member	-
Net investment income	28,779
Benefit payments	-
Administrative expense	<u>(84,665)</u>
Net change in plan fiduciary net position	1,773,112
Plan fiduciary net position - beginning	<u>19,708,863</u>
Plan fiduciary net position - ending (b)	<u>\$ 21,481,975</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 828,466,168</u>
Plan fiduciary net position as a percentage of the total OPEB liability	2.53%
Covered-employee payroll	\$ 168,626,896
Net OPEB liability as a percentage of covered-employee payroll	491.30%

Notes to Schedule:

Benefit Changes. There were no changes of benefit terms for the year ended June 30, 2018.

Changes of Assumptions. There were no changes of assumptions for the year ended June 30, 2018.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Employer Contributions for Other Post-Employment Benefits
For the Year Ended June 30, 2018**

Actuarially determined contribution		\$ 66,559,194
Contributions in relation to the actuarially determined contribution		
Employer contributions to trust	1,828,998	
Employer-paid retiree premiums	37,804,248	
		39,633,246
Contribution deficiency (excess)		\$ 26,925,948
Covered annual payroll		\$ 168,626,896
 Contributions as a percentage of covered employee payroll		 23.50%

Notes to Schedule:

Valuation date 7/1/2017

Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.

Actuarial cost method	Individual Entry Age Normal
Amortization method	Level dollar, open
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.5% annually
Healthcare trend	Flat 5.5% annually
Salary increases	4.0% annually
Investment return	5.0% annually
Retirement age	4 years after the earliest of: 30 years of service; attainment of age 55 and 25 years of service; and, attainment of age 60 and 10 years of service. In addition, employees hired on and after January 1, 2011 may not retire before age 60 without actuarial reduction in benefits.
Mortality	94 GAR projected to 2002, 50% unisex blend
Turnover	Age specific table with an average of 8% when applied to the active census

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Investment Returns for Other Post-Employment Benefits
June 30, 2018**

<u>Year</u>	<u>Annual money- weighted rate of return, net of investment expense</u>
2018	-0.21%
2017	0.30%
2016	2.74%
2015	0.69%
2014	2.34%
2013	0.28%
2012	0.37%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Employer's Proportionate Share
of Net Pension Liability
For the Year Ended June 30, 2018**

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
Teachers' Retirement System of Louisiana					
2018	\$ 51,539,488	\$ 51,539,488	\$ -	\$ 195,568,020	26.4%
2017	\$ 48,680,651	\$ 48,680,651	\$ -	\$ 190,648,312	25.5%
2016	\$ 51,251,294	\$ 51,251,294	\$ -	\$ 195,670,932	26.2%
2015	\$ 56,401,853	\$ 56,401,853	\$ -	\$ 202,185,085	27.9%
2014	\$ 54,647,761	\$ 54,647,761	\$ -	\$ 201,598,762	27.1%
Louisiana School Employees' Retirement System					
2018	\$ 5,549,918	\$ 5,549,918	\$ -	\$ 18,408,266	30.1%
2017	\$ 4,833,583	\$ 4,833,583	\$ -	\$ 17,704,936	27.3%
2016	\$ 5,549,918	\$ 5,549,918	\$ -	\$ 18,408,266	30.1%
2015	\$ 6,655,160	\$ 6,655,160	\$ -	\$ 19,990,082	33.3%
2014	\$ 6,547,560	\$ 6,547,560	\$ -	\$ 20,324,933	32.2%
Louisiana State Employees' Retirement System					
2018	\$ 231,131	\$ 231,131	\$ -	\$ 530,917	43.5%
2017	\$ 212,130	\$ 212,130	\$ -	\$ 516,020	41.1%
2016	\$ 231,131	\$ 231,131	\$ -	\$ 530,917	43.5%
2015	\$ 282,576	\$ 282,576	\$ -	\$ 761,779	37.1%
2014	\$ 249,668	\$ 249,668	\$ -	\$ 761,847	32.8%

*Amounts presented were determined as of the end of the fiscal year.

*This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.*

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Employer Contributions
to the Plans
For the Year Ended June 30, 2018**

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered-employee payroll	Contributions as a percentage of covered-employee payroll
Teachers' Retirement System of Louisiana					
2017	\$ 48,680,651	\$ 48,680,651	\$ -	\$ 190,648,312	25.5%
2016	\$ 51,251,294	\$ 51,251,294	\$ -	\$ 195,670,932	26.2%
2015	\$ 56,401,853	\$ 56,401,853	\$ -	\$ 202,185,085	27.9%
2014	\$ 54,647,761	\$ 54,647,761	\$ -	\$ 201,598,762	27.1%
Louisiana School Employees' Retirement System					
2017	\$ 4,833,583	\$ 4,833,583	\$ -	\$ 17,704,936	27.3%
2016	\$ 5,549,918	\$ 5,549,918	\$ -	\$ 18,408,266	30.1%
2015	\$ 6,655,160	\$ 6,655,160	\$ -	\$ 19,990,082	33.3%
2014	\$ 6,547,560	\$ 6,547,560	\$ -	\$ 20,324,933	32.2%
Louisiana State Employees' Retirement System					
2017	\$ 212,130	\$ 212,130	\$ -	\$ 516,020	41.1%
2016	\$ 231,131	\$ 231,131	\$ -	\$ 530,917	43.5%
2015	\$ 282,576	\$ 282,576	\$ -	\$ 761,779	37.1%
2014	\$ 249,668	\$ 249,668	\$ -	\$ 761,847	32.8%

*Amounts presented were determined as of the end of the fiscal year.

*This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.*

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GENERAL FUND
Budgetary Comparison Schedule
For the Year ended June 30, 2018

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS (Budgetary Basis)	WITH FINAL BUDGET
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ 101,350,000	\$ 101,350,000	\$ 102,213,959	\$ 863,959
Sales and use	73,500,000	75,500,000	78,464,255	2,964,255
Interest earnings	200,000	750,000	1,058,954	308,954
Other	4,725,000	4,725,000	3,712,046	(1,012,954)
State sources				
Equalization	208,557,000	207,557,000	204,453,449	(3,103,551)
Other	2,000,000	2,000,000	1,710,165	(289,835)
Federal sources	4,310,000	4,310,000	1,031,546	(3,278,454)
Other financing sources	5,000,000	5,846,398	5,789,979	(56,419)
Sale of capital assets	40,000	40,000	49,647	9,647
Total revenues	399,682,000	402,078,398	398,484,000	(3,594,398)
EXPENDITURES				
Current				
Instruction				
Regular programs	163,069,687	163,069,687	150,449,383	12,620,304
Special programs	64,041,291	64,041,291	57,270,125	6,771,166
Other instructional programs	13,795,757	13,795,757	19,862,229	(6,066,472)
Support services				
Student services	19,190,507	19,190,507	26,968,835	(7,778,328)
Instructional staff support	14,998,308	14,998,308	18,010,263	(3,011,955)
General administration	6,383,930	6,383,930	4,272,740	2,111,190
School administration	24,725,671	24,725,671	29,045,282	(4,319,611)
Business services	3,871,663	3,871,663	3,926,280	(54,617)
Plant services	44,774,954	44,774,954	47,340,912	(2,565,958)
Student transportation services	21,701,093	21,701,093	22,483,295	(782,202)
Central services	7,008,189	7,854,587	7,760,324	94,263
Capital outlay	-	-	790,023	(790,023)
Debt service				
Principal retirement	-	-	632,976	(632,976)
Other uses of funds (transfer out)	16,000,000	17,500,000	18,622,531	(1,122,531)
Total expenditures	399,561,050	401,907,448	407,435,198	(5,527,750)
EXCESS (Deficiency) of REVENUES OVER EXPENDITURES	120,950	170,950	(8,951,198)	(9,122,148)
TOTAL FUND BALANCES - BEGINNING	\$ 23,486,182	\$ 20,202,064	\$ 36,542,438	\$ 16,340,374
TOTAL FUND BALANCES - ENDING	\$ 23,607,132	\$ 20,373,014	\$ 27,591,240	\$ 7,218,226

See notes to budgetary comparison schedules.

Caddo Parish School Board

Notes to the Required Supplementary Information For the Year Ended June 30, 2018

NOTE A – PENSION PLANS

Change of Benefit Terms

Teachers' Retirement System of Louisiana - There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2017.

Louisiana State Employees' Retirement System - There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2017.

Louisiana School Employees' Retirement System - There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2017.

Change of Assumptions

Teachers' Retirement System of Louisiana - There were no changes of assumptions for the actuarial valuation for the year ended June 30, 2017.

Louisiana State Employees' Retirement System - There were no changes of assumptions for the actuarial valuation for the year ended June 30, 2017.

Louisiana School Employees' Retirement System – For the actuarial valuation for the year ended June 30, 2016, the discount rate was increased from 7.0% to 7.125%. Inflation rate was decreased from 2.75% to 2.625% and salary increases were decreased from a range of 3.2% to 5.5% to 3.075% to 5.375%.

NOTE B - BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the School Board members the proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the School Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and at the fund level for the special revenue funds.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board members. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The effects of budget revisions to the general fund passed during the year were insignificant.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to the Required Supplementary Information
For the Year ended June 30, 2018

NOTE B - BUDGETS (continued)

Budget to GAAP Reconciliation Explanations of differences between budgetary inflows and outflows and GAAP revenues and expenditures are as follows:

	<u>General Fund</u>
<i>Sources/inflows of resources:</i>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 398,484,000
State equalization revenue received and transferred to charter schools but is not a current year revenue for financial reporting purposes	(18,622,531)
The financed amount for the capital lease is a budgetary resource but is not a current year revenue for financial reporting purposes	(5,789,979)
The sale of capital assets is a budgetary resource but is not a current year revenue for financial reporting purposes	(49,647)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 374,021,843
<i>Charges to appropriations:</i>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 407,435,198
State equalization revenue received and transferred to charter schools but is not a current year expense for financial reporting purposes	(18,622,531)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 388,812,667

SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS BY FUND TYPE

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2018

Exhibit 2

	Special Revenue	Debt Service	Parishwide Capital Projects	Total
ASSETS				
Cash and cash equivalents	\$ 8,589,390	\$ 8,862,866	\$ 8,109,973	\$ 25,562,229
Receivables	10,225,297	40,999	97,413	10,363,709
Inventory	89,162	-	144,178	233,340
Other assets	-	-	848	848
	\$ 18,903,849	\$ 8,903,865	\$ 8,352,412	\$ 36,160,126
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,119,483	\$ -	\$ 4,078,208	\$ 5,197,691
Salaries and wages payable	6,291,972	-	25,353	6,317,325
Interfund payable	6,604,496	-	-	6,604,496
	14,015,951	-	4,103,561	18,119,512
 Fund Balances				
Nonspendable	89,162	-	144,178	233,340
Restricted	4,573,377	8,903,865	4,104,673	17,581,915
Committed	225,359	-	-	225,359
	4,887,898	8,903,865	4,248,851	18,040,614
Total liabilities and fund balances	\$ 18,903,849	\$ 8,903,865	\$ 8,352,412	\$ 36,160,126

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
For the Year ended June 30, 2018

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	PARISHWIDE CAPITAL PROJECTS	TOTAL
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ -	\$ 8,768,622	\$ 20,833,904	\$ 29,602,526
Interest earnings	8,396	72,478	20,712	101,586
Other local sources	294,791	-	-	294,791
State sources				
Equalization	1,250,000	-	-	1,250,000
State revenue sharing	-	-	285,704	285,704
Other local grants and sources	1,787,027	-	-	1,787,027
Federal sources	53,785,562	-	-	53,785,562
	<u>57,125,776</u>	<u>8,841,100</u>	<u>21,140,320</u>	<u>87,107,196</u>
EXPENDITURES				
Current				
Instruction				
Regular programs	164,595	-	-	164,595
Special programs	3,208,679	-	-	3,208,679
Other instructional programs	16,675,310	-	-	16,675,310
Support services				
Student services	5,007,741	-	-	5,007,741
Instructional staff support	9,682,055	-	-	9,682,055
General administration	3,178,472	298,613	-	3,477,085
Business services	155,546	5,080	10,832	171,458
Plant services	27,373	-	-	27,373
Student transportation services	124,383	-	-	124,383
Central services	263,292	-	-	263,292
Food services	17,763,096	-	-	17,763,096
Community service programs	719,852	-	-	719,852
Capital outlay	41,508	-	23,199,485	23,240,993
Debt service				
Principal retirement	-	6,915,000	2,733,237	9,648,237
Interest and bank charges	-	2,690,011	-	2,690,011
	<u>57,011,902</u>	<u>9,908,704</u>	<u>25,943,554</u>	<u>92,864,160</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	113,874	(1,067,604)	(4,803,234)	(5,756,964)
OTHER FINANCING SOURCES (USES)				
Transfers in	65,319	-	-	65,319
Sale of capital assets	1,619	-	-	1,619
	<u>66,938</u>	<u>-</u>	<u>-</u>	<u>66,938</u>
Net change in fund balances	180,812	(1,067,604)	(4,803,234)	(5,690,026)
FUND BALANCES - BEGINNING	4,707,086	9,971,469	9,052,085	23,730,640
FUND BALANCES - ENDING	<u>\$ 4,887,898</u>	<u>\$ 8,903,865</u>	<u>\$ 4,248,851</u>	<u>\$ 18,040,614</u>

Nonmajor Special Revenue Funds

Special Education

State Grants To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

Preschool Grants To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

Title II To improve the skills of teachers and the quality of instruction in mathematics and science. To increase the accessibility of such instruction to all students.

Title III To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

Safe and Drug Free To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

TANF/JAG Provides assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their own welfare programs.

Tobacco Settlement This fund was established to account for monies received from the state Education Excellence Fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

8(g) State Fund The 8g state fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

Mathematics and Science To improve the academic achievement of students by enhancing content knowledge and teaching skills of classroom math and science teachers.

School Improvement Federal grants that directly support and empower local educational agencies to pursue high-quality initiatives that will transform educational opportunities for students attending Louisiana's lowest performing schools.

Vocational Education To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

Title I To improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

Homeless This fund is designed to ensure that homeless children and youth have access to a free, appropriate public education.

Child Nutrition Program This program was designed to assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Behavioral Health To provide mental health services to children with a serious emotional disturbance.

Nonmajor Special Revenue Funds

CEEF Operating This fund was established to account for the expenditures of the earnings from the Caddo Educational Excellence Permanent Fund.

Misc. State/Federal Grants This fund is used to account for various small state and federal grants for which the expenditures are legally restricted to specified purposes.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2018

	SPECIAL EDUCATION	TITLE II	TITLE III	SAFE AND DRUG-FREE	TANF/JAG	TOBACCO SETTLEMENT	8(g) STATE FUND	MATHEMATICS & SCIENCE
ASSETS								
Cash and cash equivalents	\$ 446,420	\$ 20,971	\$ -	\$ 36,800	\$ 72,914	\$ 343,715	\$ 28,088	\$ -
Receivables	3,041,631	752,970	9,632	189,635	425,901	-	92,474	-
Inventory	-	-	-	-	-	-	-	-
Total assets	\$ 3,488,051	\$ 773,941	\$ 9,632	\$ 226,435	\$ 498,815	\$ 343,715	\$ 120,562	\$ -
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 281,913	\$ 109,177	\$ 309	\$ 17,633	\$ 38,779	\$ -	\$ -	\$ -
Salaries and wages payable	1,154,591	115,002	180	77,480	182,861	118,356	78,421	-
Interfund payables	2,051,547	549,762	9,143	131,322	277,175	-	42,141	-
Total liabilities	3,488,051	773,941	9,632	226,435	498,815	118,356	120,562	-
Fund balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	225,359	-	-
Total fund balances	-	-	-	-	-	225,359	-	-
Total liabilities and fund balances	\$ 3,488,051	\$ 773,941	\$ 9,632	\$ 226,435	\$ 498,815	\$ 343,715	\$ 120,562	\$ -

SCHOOL IMPROVEMENT	VOCATIONAL EDUCATION	TITLE I	HOMELESS	CHILD NUTRITION PROGRAM	BEHAVIORAL HEALTH	CEEF OPERATING	MISC STATE/FEDERAL GRANTS	TOTAL
\$ -	\$ 8,050	\$ 1,053,842	\$ 319	\$ 6,033,492	\$ 156,864	\$ 335,471	\$ 52,444	\$ 8,589,390
922,379	330,760	4,174,401	22,854	38,043	-	-	224,617	10,225,297
-	-	-	-	89,162	-	-	-	89,162.00
<u>\$ 922,379</u>	<u>\$ 338,810</u>	<u>\$ 5,228,243</u>	<u>\$ 23,173</u>	<u>\$ 6,160,697</u>	<u>\$ 156,864</u>	<u>\$ 335,471</u>	<u>\$ 277,061</u>	<u>\$ 18,903,849</u>
\$ 91,428	\$ -	\$ 371,885	\$ 2,005	\$ 48,218	\$ 156,864	\$ -	\$ 1,272	\$ 1,119,483
203,849	28,406	2,414,255	6,693	1,785,411	-	-	126,467	6,291,972
627,102	310,404	2,442,103	14,475	-	-	-	149,322	6,604,496
<u>922,379</u>	<u>338,810</u>	<u>5,228,243</u>	<u>23,173</u>	<u>1,833,629</u>	<u>156,864</u>	<u>-</u>	<u>277,061</u>	<u>14,015,951</u>
-	-	-	-	89,162	-	-	-	89,162
-	-	-	-	4,237,906	-	335,471	-	4,573,377
-	-	-	-	-	-	-	-	225,359
-	-	-	-	4,327,068	-	335,471	-	4,887,898
<u>\$ 922,379</u>	<u>\$ 338,810</u>	<u>\$ 5,228,243</u>	<u>\$ 23,173</u>	<u>\$ 6,160,697</u>	<u>\$ 156,864</u>	<u>\$ 335,471</u>	<u>\$ 277,061</u>	<u>\$ 18,903,849</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2018

	SPECIAL EDUCATION	TITLE II	TITLE III	SAFE AND DRUG- FREE	TANF/JAG	TOBACCO SETTLEMENT	8(g) STATE FUND	MATHEMATICS & SCIENCE
REVENUES								
Local sources								
Interest earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food services	-	-	-	-	-	-	-	-
State sources								
Equalization	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	667,681	407,727	-
Federal sources	9,972,166	2,366,893	43,605	837,295	954,013	-	-	17,197
Total revenues	9,972,166	2,366,893	43,605	837,295	954,013	667,681	407,727	17,197
EXPENDITURES								
Current								
Instruction								
Regular programs	-	27,200	-	-	132,160	-	-	-
Special programs	2,370,372	-	-	-	-	-	-	-
Other instructional programs	194,202	-	39,118	122,715	738,149	588,873	404,727	-
Support services								
Student services	3,879,177	-	-	484,442	-	-	-	-
Instructional staff support	2,385,851	2,116,765	3,512	156,881	-	20,856	3,000	15,923
General administration	874,952	222,928	975	73,257	83,704	-	-	1,274
Business administration	65,278	-	-	-	-	-	-	-
Plant services	20,308	-	-	-	-	-	-	-
Student transportation services	53,540	-	-	-	-	-	-	-
Central services	128,486	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	9,972,166	2,366,893	43,605	837,295	954,013	609,729	407,727	17,197
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	57,952	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	57,952	-	-
FUND BALANCES - BEGINNING	-	-	-	-	-	167,407	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,359	\$ -	\$ -

SCHOOL IMPROVEMENT	VOCATIONAL EDUCATION	TITLE I	HOMELESS	CHILD NUTRITION PROGRAM	BEHAVIORAL HEALTH	CEEF OPERATING	MISC STATE/FEDERAL GRANTS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 8,396	\$ -	\$ -	\$ -	\$ 8,396
-	-	-	-	294,791	-	-	-	294,791
-	-	-	-	1,250,000	-	-	-	1,250,000
-	-	-	-	-	-	-	711,619	1,787,027
2,347,120	545,504	19,918,190	179,045	16,312,574	92,058	-	199,902	53,785,562
2,347,120	545,504	19,918,190	179,045	17,865,761	92,058	-	911,521	57,125,776
-	-	-	-	-	-	5,235	-	164,595
-	-	-	-	-	-	-	838,307	3,208,679
2,024,947	353,461	12,090,632	118,486	-	-	-	-	16,675,310
-	-	607,004	-	-	37,118	-	-	5,007,741
120,882	192,043	4,546,404	-	-	49,755	-	70,183	9,682,055
201,291	-	1,701,351	15,709	-	-	-	3,031	3,178,472
-	-	90,268	-	-	-	-	-	155,546
-	-	-	-	-	7,065	-	-	27,373
-	-	69,962	2,761	-	(1,880)	-	-	124,383
-	-	134,806	-	-	-	-	-	263,292
-	-	-	-	17,763,096	-	-	-	17,763,096
-	-	677,763	42,089	-	-	-	-	719,852
-	-	-	-	41,508	-	-	-	41,508
2,347,120	545,504	19,918,190	179,045	17,804,604	92,058	5,235	911,521	57,011,902
-	-	-	-	61,157	-	(5,235)	-	113,874
-	-	-	-	-	-	65,319	-	65,319
-	-	-	-	1,619	-	-	-	1,619
-	-	-	-	1,619	-	65,319	-	66,938
-	-	-	-	62,776	-	60,084	-	180,812
-	-	-	-	4,264,292	-	275,387	-	4,707,086
\$ -	\$ -	\$ -	\$ -	\$ 4,327,068	\$ -	\$ 335,471	\$ -	\$ 4,887,898

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-1

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****SPECIAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 10,276,603	\$ 9,972,166	\$ (304,437)
Total revenues	10,276,603	9,972,166	(304,437)
EXPENDITURES			
Current			
Instruction			
Special programs	2,006,283	2,370,372	(364,089)
Other instructional programs	185,847	194,202	(8,355)
Support services			
Student services	4,141,685	3,879,177	262,508
Instructional staff support	2,735,721	2,385,851	349,870
General administration	878,262	874,952	3,310
Business services	61,269	65,278	(4,009)
Plant services	64,387	20,308	44,079
Student transportation services	68,741	53,540	15,201
Central services	134,408	128,486	5,922
Total expenditures	10,276,603	9,972,166	304,437
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-2

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****TITLE II*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 4,462,657	\$ 2,366,893	\$ (2,095,764)
Total revenues	4,462,657	2,366,893	(2,095,764)
EXPENDITURES			
Current			
Instruction			
Regular programs	1,401,790	27,200	1,374,590
Support services			
Instructional staff support	2,677,656	2,116,765	560,891
General administration	383,211	222,928	160,283
Total expenditures	4,462,657	2,366,893	2,095,764
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Exhibit 6-3

**NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018**

	*****TITLE III*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 107,912	\$ 43,605	\$ (64,307)
Total revenues	107,912	43,605	\$ (64,307)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	93,273	39,118	54,155
Support services			
Instructional staff support	12,238	3,512	8,726
General administration	2,401	975	1,426
Total expenditures	107,912	43,605	64,307
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-4

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****SAFE AND DRUG-FREE*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 751,214	\$ 837,295	\$ 86,081
Total revenues	751,214	837,295	86,081
EXPENDITURES			
Current			
Instruction - Regular Programs	-	122,715	(122,715)
Support services			
Student services	609,067	484,442	124,625
Instructional staff support	80,921	156,881	(75,960)
General administration	61,226	73,257	(12,031)
Total expenditures	751,214	837,295	(86,081)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-5

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****TANF/JAG*****		VARIANCE POSITIVE (NEGATIVE)
	BUDGET	ACTUAL	
REVENUES			
State sources	\$ -	\$ -	\$ -
Federal sources	1,030,649	954,013	(76,636)
Total revenues	1,030,649	954,013	(76,636)
EXPENDITURES			
Current			
Instruction			
Regular programs	50,000	132,160	(82,160)
Special programs	146,260	0	146,260
Other instructional programs	750,179	738,149	12,030
Support services			
General administration	84,210	83,704	506
Total expenditures	1,030,649	954,013	76,636
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-6

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****TOBACCO SETTLEMENT*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
State sources	\$ 638,719	\$ 667,681	\$ 28,962
Total revenues	638,719	667,681	28,962
EXPENDITURES			
Current			
Instruction			
Other instructional programs	562,073	588,873	(26,800)
Support services			
Instructional staff support	76,646	20,856	55,790
Total expenditures	638,719	609,729	28,990
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	57,952	57,952
FUND BALANCE AT BEGINNING OF YEAR	78,796	167,407	88,611
FUND BALANCE AT END OF YEAR	\$ 78,796	\$ 225,359	\$ 146,563

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-7

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****8(g) STATE FUND*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
State sources	\$ 432,296	\$ 407,727	\$ (24,569)
Total revenues	432,296	407,727	(24,569)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	387,456	404,727	(17,271)
Support services			
Instructional staff support	44,840	3,000	41,840
Total expenditures	432,296	407,727	24,569
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-8

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
*****MATHEMATICS & SCIENCE*****			
REVENUES			
Federal sources	\$ 155,533	\$ 17,197	\$ (138,336)
Total revenues	<u>155,533</u>	<u>17,197</u>	<u>(138,336)</u>
EXPENDITURES			
Current			
Instruction			
Regular programs	10,931	-	10,931
Support services			
Instructional staff support	133,081	15,923	117,158
General administration	11,521	1,274	10,247
Total expenditures	<u>155,533</u>	<u>17,197</u>	<u>138,336</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-9

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****SCHOOL IMPROVEMENT*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ -	2,347,120	\$ 2,347,120
Total revenues	-	2,347,120	2,347,120
EXPENDITURES			
Current			
Instruction			
Other instructional programs	-	2,024,947	(2,024,947)
Support services			
Instructional staff support	-	120,882	(120,882)
General administration	-	201,291	(201,291)
Total expenditures	-	2,347,120	(2,347,120)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

**Note that no budget was adopted for the School Improvement Fund for 2018.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-10

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****VOCATIONAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 551,251	\$ 545,504	\$ (5,747)
Total revenues	551,251	545,504	(5,747)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	533,760	353,461	180,299
Support services			
Instructional staff support	17,491	192,043	(174,552)
Total expenditures	551,251	545,504	5,747
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-11

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****TITLE I*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Federal sources	\$ 19,768,746	\$ 19,918,190	\$ 149,444
Total revenues	<u>19,768,746</u>	<u>19,918,190</u>	<u>149,444</u>
EXPENDITURES			
Current			
Instructional			
Other instructional programs	11,672,596	12,090,632	(418,036)
Support services			
Student services	587,001	607,004	(20,003)
Instructional staff support	4,602,424	4,546,404	56,020
General administration	1,685,306	1,701,351	(16,045)
Business services	84,468	90,268	(5,800)
Plant services	-	-	-
Student transportation services	276,804	69,962	206,842
Central services	125,484	134,806	(9,322)
Community service programs	734,663	677,763	56,900
Capital outlay	-	-	-
Total expenditures	<u>19,768,746</u>	<u>19,918,190</u>	<u>(149,444)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-12

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****HOMELESS*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 171,538	\$ 179,045	\$ 7,507
Total revenues	171,538	179,045	7,507
EXPENDITURES			
Current			
Instructional			
Other instructional programs	106,424	118,486	(12,062)
Support services			
General administration	14,730	15,709	(979)
Student transportation services	2,500	2,761	(261)
Community service programs	47,884	42,089	5,795
Total expenditures	171,538	179,045	(7,507)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-13

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
*****CHILD NUTRITION PROGRAM*****				
REVENUES				
Local Sources				
Interest earnings	\$ -	\$ -	\$ 8,396	\$ 8,396
Food services	350,000	350,000	294,791	(55,209)
State sources				
Equalization	1,250,000	1,250,000	1,250,000	-
Federal sources	<u>18,143,914</u>	<u>16,571,914</u>	<u>16,312,574</u>	<u>(259,340)</u>
Total revenues	<u>19,743,914</u>	<u>18,171,914</u>	<u>17,865,761</u>	<u>(306,153)</u>
EXPENDITURES				
Current				
Support services				
Food services	19,367,231	17,915,677	17,763,096	(152,581)
Capital outlay	<u>-</u>	<u>-</u>	<u>41,508</u>	<u>41,508</u>
Total expenditures	<u>19,367,231</u>	<u>17,915,677</u>	<u>17,804,604</u>	<u>(111,073)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	376,683	256,237	61,157	(195,080)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Sale of capital assets	<u>-</u>	<u>-</u>	<u>1,619</u>	<u>1,619</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,619</u>	<u>1,619</u>
Net change in fund balance	376,683	256,237	62,776	(193,461)
FUND BALANCE AT BEGINNING OF YEAR	<u>1,630,781</u>	<u>1,630,781</u>	<u>4,264,292</u>	<u>2,633,511</u>
FUND BALANCE AT END OF YEAR	<u>\$ 2,007,464</u>	<u>\$ 1,887,018</u>	<u>\$ 4,327,068</u>	<u>\$ 2,440,050</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-14

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

*****BEHAVIORAL HEALTH*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Federal sources	\$ 92,130	\$ 92,058	\$ (72)
Total revenues	<u>92,130</u>	<u>92,058</u>	<u>(72)</u>
EXPENDITURES			
Current			
Support services			
Student services	92,130	37,118	55,012
Instructional staff support	-	49,755	(49,755)
Student transportation services	-	(1,880)	1,880
Plant services	-	7,065	(7,065)
Total expenditures	<u>92,130</u>	<u>92,058</u>	<u>72</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-15

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****CEEF OPERATING*****		
	BUDGET (a)	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources	\$ 75,000	\$ -	\$ (75,000)
Total revenues	75,000	-	(75,000)
EXPENDITURES			
Current			
Instruction			
Regular programs	\$ 275,387	\$ 5,235	270,152
Total expenditures	275,387	5,235	270,152
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,387)	(5,235)	195,152
OTHER FINANCING SOURCES (USES)			
Transfers in	-	65,319	65,319
Total other financing sources (uses)	-	65,319	65,319
Net change in fund balance	(200,387)	60,084	260,471
FUND BALANCE AT BEGINNING OF YEAR	264,353	275,387	11,034
FUND BALANCE AT END OF YEAR	\$ 63,966	\$ 335,471	\$ 271,505

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-16

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2018

	*****MISC STATE/FEDERAL GRANTS*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
State sources	\$ 775,011	\$ 711,619	\$ (63,392)
Federal sources	222,233	199,902	(22,331)
Total revenues	997,244	911,521	(85,723)
EXPENDITURES			
Current			
Instruction			
Special programs	867,919	838,307	29,612
Other instructional programs	-	-	-
Support services			
Student services	19,716	-	19,716
Instructional staff support	106,830	70,183	36,647
General administration	2,779	3,031	(252)
Plant services	-	-	-
Student transportation services	-	-	-
Total expenditures	997,244	911,521	85,723
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

CENTRAL OFFICE CONCESSION FUND This fund accounts for those monies collected by School Board employees working in the Central Office Coffee Shop for the purposes of replenishing items sold and maintenance of coffee shop equipment.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combining Statement of Changes in Assets and Liabilities - Agency Fund
For the Year ended June 30, 2018

Exhibit 7

	BALANCE, JULY 1, 2017	ADDITIONS	DEDUCTIONS	BALANCE, JUNE 30, 2018
*****SCHOOL ACTIVITIES FUND*****				
ASSETS				
Cash and cash equivalents	\$ 5,427,766	\$ 12,670,789	\$ 12,624,140	\$ 5,474,415
Investments	335,510	2,899	27,653	310,756
Total assets	\$ 5,763,276	\$ 12,673,688	\$ 12,651,793	\$ 5,785,171
LIABILITES				
Deposits due others	\$ 5,763,276	\$ 12,673,688	\$ 12,651,793	\$ 5,785,171
Total liabilities	\$ 5,763,276	\$ 12,673,688	\$ 12,651,793	\$ 5,785,171
*****CENTRAL OFFICE CONCESSION FUND*****				
ASSETS				
Cash and cash equivalents	\$ 2,551	\$ 765	\$ 588	\$ 2,728
Total assets	\$ 2,551	\$ 765	\$ 588	\$ 2,728
LIABILITES				
Deposits due others	\$ 2,551	\$ 765	\$ 588	\$ 2,728
Total liabilities	\$ 2,551	\$ 765	\$ 588	\$ 2,728
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 5,430,317	\$ 12,671,554	\$ 12,624,728	\$ 5,477,143
Investments	335,510	2,899	27,653	310,756
Total assets	\$ 5,765,827	\$ 12,674,453	\$ 12,652,381	\$ 5,787,899
LIABILITES				
Deposits due others	\$ 5,765,827	\$ 12,674,453	\$ 12,652,381	\$ 5,787,899
Total liabilities	\$ 5,765,827	\$ 12,674,453	\$ 12,652,381	\$ 5,787,899

**Caddo Parish School Board
Shreveport, Louisiana**

General

Exhibit 8

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2018**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund and represents the amounts paid for the year ended June 30, 2018, and the office held at that time. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, the vice presidents receive \$850 per month, and the president receives \$900 per month for performing the duties of office. The extra \$50 and \$100 per month for the vice presidents and the president is paid to each only in the event each attends the monthly executive committee meeting.

<u>Board Member</u>	<u>Amount</u>
Stephen Riall	\$ 10,500
Denee' Locke	10,200
Mary Trammel	9,900
Raymond Green	9,600
Dottie Bell	9,900
Margaret Brown	9,600
Bonita Douzart	9,600
Jasmine Green	9,600
Susannah Poljak	9,600
Barry Rachal	9,800
Larry Ramsey	6,000
Durwood Hendricks	3,286
John Albritton	<u>9,600</u>
Total	<u>\$117,186</u>

**Caddo Parish School Board
Shreveport, Louisiana**

Exhibit 9

**Schedule of Compensation, Benefits, and
Other Payments to Agency Head
For the Year Ended June 30, 2018**

Agency Head Name: Theodis Lamar Goree, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 232,500
Benefits-insurance (health & life)	17,405
Benefits (retirement)	61,742
Benefits (medicare)	3,259
Vehicle provided by government	631
Conference travel	10,281
Registration fees	3,205

**Caddo Parish School Board
Shreveport, Louisiana**

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**Caddo Parish School Board
Shreveport, Louisiana**

CPSB
2018

Statistical Section

**Caddo Parish School Board
Shreveport, Louisiana**

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Caddo Parish School Board
Statistical Section
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Net Assets/Position (Deficit) by Component
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net investment in capital assets	\$ 88,274,168	\$ 110,198,416	\$ 115,011,596	\$ 100,856,675	\$ 94,274,181	\$ 84,710,168	\$ 93,169,071	\$ 98,387,765	\$ 107,803,609	\$ 119,883,995
Restricted	\$ 59,614,122	\$ 38,559,316	\$ 49,171,234	\$ 49,302,498	\$ 51,059,711	\$ 49,083,245	\$ 44,027,980	\$ 45,943,529	\$ 44,972,235	\$ 39,920,590
Unrestricted	\$ (134,718,861)	\$ (215,963,076)	\$ (300,406,542)	\$ (389,955,620)	\$ (493,255,550)	\$ (520,725,760)	\$ (1,145,417,219)	\$ (1,137,261,392)	\$ (1,135,576,948)	\$ (1,289,546,759)
Total governmental activities net assets/position (deficit)	\$ 13,169,429	\$ (67,205,344)	\$ (136,223,722)	\$ (239,796,447)	\$ (347,921,658)	\$ (386,932,347)	\$ (1,008,220,168)	\$ (992,930,098)	\$ (982,801,104)	\$ (1,129,742,174)

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Net Assets/Position (Deficit)
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Instruction										
Regular programs	\$ 201,307,362	\$ 194,847,644	\$ 189,714,298	\$ 191,493,972	\$ 195,084,770	\$ 170,095,108	\$ 165,881,175	\$ 150,032,207	\$ 146,081,564	\$ 133,694,023
Special programs	77,186,889	76,168,958	72,411,723	69,023,591	67,983,851	71,265,506	59,905,619	55,736,048	55,765,588	51,149,473
Other instructional programs	47,792,946	43,481,613	45,738,576	53,883,308	54,757,387	36,641,599	41,129,622	37,413,663	35,823,476	36,868,034
Support services										
Student services	24,441,138	24,365,917	31,873,003	34,384,569	37,455,077	26,531,030	30,772,696	29,415,998	29,192,321	30,128,590
Instructional staff support	39,893,677	34,427,828	35,410,629	32,454,956	30,971,011	21,073,276	25,787,057	25,413,854	26,267,686	26,514,073
General administration	5,728,748	7,961,856	6,638,373	6,305,210	7,725,052	7,010,667	8,597,474	7,868,948	7,387,942	7,641,186
School administration	32,934,423	31,853,988	36,287,686	34,551,836	36,116,588	29,615,181	32,138,769	28,937,243	28,684,686	26,261,899
Business services	5,447,652	5,244,764	5,336,156	5,547,402	5,572,285	5,219,269	5,328,311	4,034,499	4,011,121	3,638,862
Plant services	61,998,428	67,657,869	63,763,630	88,017,551	76,112,607	71,054,058	69,399,880	63,360,947	65,482,436	60,755,139
Student transportation services	28,396,609	26,848,449	27,188,421	27,581,761	27,140,598	26,037,204	25,873,230	23,239,259	23,680,663	21,204,138
Central services	7,292,576	13,611,374	7,319,077	7,143,732	7,582,203	7,236,964	7,613,820	7,100,426	7,241,921	7,466,174
Food services	26,995,518	25,411,707	25,376,924	25,407,258	25,699,368	17,875,767	20,815,974	19,057,664	17,715,853	17,889,530
Community services	831,958	793,023	778,521	770,731	733,392	458,380	683,586	693,203	690,196	719,853
Interest on long-term debt	5,491,463	5,550,738	4,854,199	5,582,562	4,219,222	4,852,465	4,291,748	2,845,978	2,661,913	2,206,804
Total expenses	565,739,387	558,225,728	552,691,216	582,148,439	577,153,411	494,966,474	498,218,961	455,149,937	450,687,366	426,137,778
Program Revenues										
Charges for services										
Plant Services	-	-	-	-	306,000	-	-	-	-	-
Student transportation services	2,613,016	2,695,925	2,416,667	2,253,385	85,065	34,140	-	-	-	-
Food Service Operations	-	-	-	-	1,878,669	1,729,075	1,497,111	1,325,303	307,215	296,410
Operating Grants and Contributions	74,264,232	75,995,429	69,275,680	65,751,851	59,941,887	51,726,043	54,267,018	52,981,007	55,840,085	56,731,982
Total program revenues	76,877,248	78,691,354	71,692,347	68,005,236	62,211,621	53,489,258	55,764,129	54,306,310	56,147,300	57,028,392
Net (Expense) / Revenue	(488,862,139)	(479,534,374)	(480,998,869)	(514,143,203)	(514,941,790)	(441,477,216)	(442,454,832)	(400,843,627)	(394,540,066)	(369,109,386)
General Revenues and Other Changes in Net Position (Deficit)										
Taxes										
Ad valorem taxes levied for general purposes	78,819,288	81,352,511	87,037,097	90,883,910	94,729,927	98,319,454	99,111,363	102,379,444	100,246,470	102,213,959
Ad valorem taxes levied for debt service purposes	10,002,894	10,326,013	10,922,490	11,530,901	9,749,726	9,993,778	10,073,599	8,683,304	8,658,568	8,768,622
Ad valorem taxes levied for capital improvements	16,019,360	16,534,849	17,490,047	18,464,673	19,255,954	20,007,125	20,165,199	20,833,893	20,407,360	20,833,904
Sales taxes levied for salaries, benefits and general purposes	75,686,649	74,861,726	78,271,951	74,472,829	71,286,828	75,136,182	79,272,950	73,777,428	72,891,833	78,464,255
Grants and contributions not restricted to specific programs	222,590,112	208,141,369	210,103,396	207,375,203	204,124,872	202,474,554	204,149,398	199,597,052	191,860,725	188,948,941
Interest and investment earnings	1,269,429	222,629	987,938	695,008	659,239	687,030	779,640	1,338,545	404,569	1,353,760
Miscellaneous	9,171,982	7,720,504	7,167,572	7,147,954	7,010,033	4,778,452	8,077,293	9,524,031	7,897,810	5,646,133
Total	413,559,714	399,159,601	411,980,491	410,570,478	406,816,579	411,396,575	421,629,442	416,133,697	402,367,335	406,229,574
Change in Net Assets/Position (Deficit)	\$ (75,302,425)	\$ (80,374,773)	\$ (69,018,378)	\$ (103,572,725)	\$ (108,125,211)	\$ (30,080,641)	\$ (20,825,390)	\$ 15,290,070	\$ 7,827,269	\$ 37,120,188

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 1,199,652	\$ 1,610,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	84,055,224	75,012,763	-	-	-	-	-	-	-	-
Nonspendable	-	-	1,043,458	1,048,771	1,491,789	1,417,875	1,418,595	1,420,513	1,474,185	1,702,136
Committed	-	-	35,535,348	24,474,022	21,378,512	21,380,811	21,380,811	21,413,782	21,625,176	21,727,703
Unassigned	-	-	34,463,139	30,495,621	29,695,614	28,588,365	21,957,451	20,271,059	13,443,077	4,161,401
Total general fund	<u>\$ 85,254,876</u>	<u>\$ 76,623,678</u>	<u>\$ 71,041,945</u>	<u>\$ 56,018,414</u>	<u>\$ 52,565,915</u>	<u>\$ 51,387,051</u>	<u>\$ 44,756,857</u>	<u>\$ 43,105,354</u>	<u>\$ 36,542,438</u>	<u>\$ 27,591,240</u>
All Other Governmental Funds										
Reserved	\$ 35,285,482	\$ 37,493,789	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	5,016,486	5,612,151	-	-	-	-	-	-	-	-
Capital projects funds	41,604,268	23,352,262	-	-	-	-	-	-	-	-
Nonspendable	-	-	186,547	18,222,213	19,242,741	19,951,962	20,637,476	21,204,249	21,779,774	22,427,837
Restricted	-	-	58,923,844	45,451,082	31,816,970	29,131,283	23,549,486	24,854,991	23,285,423	17,581,915
Committed	-	-	376,803	182,748	210,927	171,261	276,307	156,661	167,407	225,359
Total all other governmental funds	<u>\$ 81,906,236</u>	<u>\$ 66,458,202</u>	<u>\$ 59,487,194</u>	<u>\$ 63,856,043</u>	<u>\$ 51,270,638</u>	<u>\$ 49,254,506</u>	<u>\$ 44,463,269</u>	<u>\$ 46,215,901</u>	<u>\$ 45,232,604</u>	<u>\$ 40,235,111</u>

Notes: GASB Statement No. 54 was implemented for the year ended June 30, 2011.

Prior to the implementation of GASB 54, fund balance was reported as reserved and unreserved. Reserved fund balance represented amounts that were not appropriate for expenditures or legally segregated for a specific purpose. Reserves included inventory, encumbrances, permanent fund required to be held in perpetuity, and amounts set aside for specific purposes. GASB 54 has very clear definitions for the classes of fund balance.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Ad valorem taxes	\$ 104,841,542	\$ 108,213,373	\$ 115,449,634	\$ 120,879,484	\$ 123,735,607	\$ 128,320,357	\$ 129,350,161	\$ 131,896,640	\$ 129,312,398	\$ 131,816,485
Sales & use taxes	\$ 75,686,649	\$ 74,861,726	\$ 78,271,951	\$ 74,472,829	\$ 71,286,828	\$ 75,136,182	\$ 79,272,950	\$ 73,777,428	\$ 72,891,833	\$ 78,464,255
Investment Earning	\$ 1,269,429	\$ 222,629	\$ 987,938	\$ 695,008	\$ 655,882	\$ 666,904	\$ 564,080	\$ 1,338,546	\$ 404,568	\$ 1,353,760
Food services	\$ 2,613,016	\$ 2,695,925	\$ 2,416,667	\$ 2,253,385	\$ 1,878,245	\$ 1,727,552	\$ 1,496,232	\$ 1,324,766	\$ 307,153	\$ 294,791
Other Revenues	\$ 9,090,505	\$ 7,803,755	\$ 7,188,817	\$ 7,167,205	\$ 8,402,102	\$ 4,844,635	\$ 8,283,047	\$ 7,571,524	\$ 6,413,365	\$ 4,276,678
Total revenues from local sources	\$ 193,501,141	\$ 193,797,408	\$ 204,315,007	\$ 205,467,911	\$ 205,958,664	\$ 210,695,630	\$ 218,966,470	\$ 215,908,904	\$ 209,329,317	\$ 216,205,969
Revenue from state sources										
Equalization	\$ 220,189,623	\$ 205,784,377	\$ 198,631,781	\$ 204,957,804	\$ 201,890,754	\$ 200,497,316	\$ 202,174,928	\$ 197,725,387	\$ 189,944,015	\$ 187,080,918
Other	\$ 15,012,956	\$ 7,853,319	\$ 5,483,190	\$ 3,903,820	\$ 4,113,590	\$ 3,607,819	\$ 4,654,540	\$ 3,539,278	\$ 4,000,189	\$ 3,782,896
Total revenue from state sources	\$ 235,202,579	\$ 213,637,696	\$ 204,114,971	\$ 208,861,624	\$ 206,004,344	\$ 204,105,135	\$ 206,829,468	\$ 201,264,665	\$ 193,944,204	\$ 190,863,814
Revenue from federal sources	\$ 61,689,953	\$ 70,499,102	\$ 75,264,105	\$ 64,265,430	\$ 58,062,415	\$ 50,095,464	\$ 51,586,949	\$ 51,313,397	\$ 53,756,603	\$ 54,817,108
Total Revenues	\$ 490,393,673	\$ 477,934,206	\$ 483,694,083	\$ 478,594,965	\$ 470,025,423	\$ 464,896,229	\$ 477,382,887	\$ 468,486,966	\$ 457,030,124	\$ 461,886,891
Expenditures:										
Current										
Instruction services	\$ 257,684,887	\$ 263,696,722	\$ 257,647,038	\$ 263,942,178	\$ 253,510,385	\$ 247,023,903	\$ 254,206,800	\$ 247,339,887	\$ 240,539,068	\$ 247,630,321
Student services	\$ 19,185,793	\$ 20,411,903	\$ 28,353,553	\$ 30,536,978	\$ 29,390,407	\$ 28,465,771	\$ 29,692,030	\$ 30,192,785	\$ 29,398,193	\$ 31,976,576
Instructional staff support	\$ 31,956,498	\$ 28,813,791	\$ 30,582,767	\$ 27,324,623	\$ 24,818,276	\$ 21,102,664	\$ 25,265,497	\$ 25,961,928	\$ 26,624,303	\$ 27,692,318
General administration	\$ 5,489,638	\$ 7,728,034	\$ 6,360,620	\$ 6,027,949	\$ 7,035,466	\$ 6,636,267	\$ 7,872,253	\$ 7,435,917	\$ 7,397,676	\$ 7,749,825
School administration	\$ 25,660,793	\$ 26,485,130	\$ 30,452,553	\$ 28,738,116	\$ 28,301,020	\$ 29,226,210	\$ 30,939,741	\$ 29,450,947	\$ 28,958,164	\$ 29,045,282
Business services	\$ 4,281,169	\$ 4,358,832	\$ 4,477,533	\$ 4,697,109	\$ 4,371,563	\$ 4,731,888	\$ 5,090,010	\$ 4,111,259	\$ 4,042,886	\$ 4,097,738
Plant services	\$ 48,437,911	\$ 52,844,938	\$ 48,169,634	\$ 71,780,724	\$ 58,627,378	\$ 45,829,571	\$ 46,866,125	\$ 45,984,767	\$ 46,643,112	\$ 47,368,285
Student transportation services	\$ 22,585,726	\$ 22,420,502	\$ 22,497,646	\$ 23,115,501	\$ 22,283,560	\$ 23,227,577	\$ 23,506,395	\$ 22,699,029	\$ 22,259,477	\$ 22,607,678
Food service	\$ 6,034,607	\$ 22,783,968	\$ 22,683,585	\$ 6,281,541	\$ 22,109,930	\$ 6,788,399	\$ 20,740,628	\$ 18,952,174	\$ 17,649,081	\$ 17,763,096
Central services	\$ 22,933,201	\$ 11,469,967	\$ 6,453,622	\$ 22,700,704	\$ 6,195,089	\$ 21,283,975	\$ 7,396,056	\$ 7,210,296	\$ 7,305,857	\$ 8,023,616
Community services	\$ 643,556	\$ 649,403	\$ 643,529	\$ 643,612	\$ 558,781	\$ 631,043	\$ 683,586	\$ 693,658	\$ 690,196	\$ 719,852
Capital Outlay	\$ 29,450,088	\$ 28,270,397	\$ 25,908,462	\$ 10,668,430	\$ 15,778,701	\$ 20,479,502	\$ 24,239,166	\$ 17,489,781	\$ 21,913,676	\$ 24,031,016
Debt service										
Principal	\$ 5,022,790	\$ 6,725,058	\$ 7,010,058	\$ 8,576,315	\$ 9,109,731	\$ 9,217,049	\$ 8,955,846	\$ 9,230,149	\$ 8,984,568	\$ 10,281,213
Bond issue costs	\$ 8,796	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,762	\$ -	\$ -
Interest	\$ 5,561,932	\$ 5,350,561	\$ 5,006,224	\$ 4,922,867	\$ 4,364,529	\$ 4,198,670	\$ 3,425,243	\$ 3,151,302	\$ 2,958,166	\$ 2,690,011
Total Expenditures	\$ 484,937,385	\$ 502,011,106	\$ 496,246,824	\$ 509,956,647	\$ 486,454,816	\$ 468,842,489	\$ 488,879,376	\$ 470,067,641	\$ 465,364,423	\$ 481,676,827
Excess of revenues over (under) expenditures	\$ 5,456,288	\$ (24,076,900)	\$ (12,552,741)	\$ (31,361,682)	\$ (16,429,393)	\$ (3,946,260)	\$ (11,496,489)	\$ (1,580,675)	\$ (8,334,299)	\$ (19,789,936)
Other Financing Sources (Uses)										
Proceeds from the sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 391,489	\$ 35,662	\$ 10,684	\$ 796,336	\$ 33,120	\$ 51,266
Proceeds from borrowing	\$ 17,359,000	\$ -	\$ -	\$ 20,707,000	\$ 15,280,000	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from refunding	\$ -	\$ 5,365,000	\$ -	\$ 9,960,000	\$ 1,224,944	\$ 15,810,000	\$ 14,428,290	\$ 8,480,000	\$ -	\$ -
Payments to escrow agent	\$ -	\$ (5,367,332)	\$ -	\$ (9,960,000)	\$ (16,504,944)	\$ (16,336,040)	\$ (16,435,195)	\$ (9,387,389)	\$ -	\$ -
Premium on bond issuance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 526,040	\$ 2,006,905	\$ 1,071,151	\$ -	\$ -
Other financing sources - capital lease agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 715,602	\$ 703,883	\$ 721,706	\$ 754,966	\$ 789,979
Transfers in	\$ 287,750	\$ 18,057	\$ 99,994	\$ 32,860	\$ 27,178	\$ 25,931	\$ 10,398	\$ 6,057	\$ 16,330	\$ 5,065,319
Transfers out	\$ (287,750)	\$ (18,057)	\$ (99,994)	\$ (32,860)	\$ (27,178)	\$ (25,931)	\$ (10,398)	\$ (6,057)	\$ (16,330)	\$ (65,319)
Total other financing sources (uses)	\$ 17,359,000	\$ (2,332)	\$ -	\$ 20,707,000	\$ 391,489	\$ 751,264	\$ 714,567	\$ 1,681,804	\$ 788,086	\$ 5,841,245
Net change in fund balances	\$ 22,815,288	\$ (24,079,232)	\$ (12,552,741)	\$ (10,654,682)	\$ (16,037,904)	\$ (3,194,996)	\$ (10,781,922)	\$ 101,129	\$ (7,546,213)	\$ (13,948,691)
Debt service as a percentage of noncapital expenditures	2.3%	2.5%	2.6%	2.7%	2.9%	3.0%	2.7%	2.7%	2.7%	2.8%

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property		Less:	Total Taxable	Total	Estimated	Assessed
	Residential Property	Commercial Property	Homestead Exempt Property	Assessed Value	Direct Tax Rate	Actual Taxable Value	Value as a Percentage of Actual Value
2009	553,133,750	1,154,352,160	341,601,270	1,365,884,640	78.20	12,330,507,833	13.85%
2010	554,874,570	1,188,009,260	342,555,070	1,400,328,760	78.20	12,526,997,567	13.91%
2011	558,756,760	1,265,504,820	341,146,070	1,483,115,510	78.20	13,002,027,200	14.03%
2012	563,181,690	1,318,574,710	340,067,180	1,541,689,220	78.20	13,319,843,633	14.13%
2013	588,336,400	1,386,600,910	347,726,690	1,627,210,620	75.66	13,983,025,800	14.12%
2014	690,998,311	1,326,073,372	344,674,110	1,672,397,573	75.66	12,975,903,330	15.54%
2015	768,016,123	1,277,604,369	345,228,061	1,700,392,431	75.66	13,914,158,577	14.70%
2016	781,282,278	1,316,526,241	343,400,769	1,754,407,750	74.66	14,326,631,747	14.64%
2017	784,607,385	1,303,348,729	339,924,738	1,748,031,376	73.30	14,824,179,720	14.08%
2018	778,804,495	1,314,790,293	335,245,281	1,758,349,507	73.82	14,791,747,790	14.15%

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Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value.
- (4) Real property calculations were based on information provided by Assessor's office.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Caddo Parish Commission	City of Shreveport	
2009	70.60	7.60	78.20	35.14	44.54	157.88
2010	70.60	7.60	78.20	35.14	44.54	157.88
2011	70.60	7.60	78.20	35.14	44.54	157.88
2012	70.60	7.60	78.20	35.14	44.54	157.88
2013	69.66	6.00	75.66	35.14	39.70	150.50
2014	69.66	6.00	75.66	35.14	39.70	150.50
2015	69.66	6.00	75.66	35.14	39.70	150.50
2016	69.66	5.00	74.66	34.94	36.65	146.25
2017	68.30	5.00	73.30	34.41	36.29	144.00
2018	68.82	5.00	73.82	34.41	35.81	144.04

Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) School district debt service millage is parish wide.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Caddo Parish. Not all overlapping rates apply to all property owners.

Table 7

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Property Taxpayers
June 30, 2018 and Nine Years Ago

Taxpayer	Fiscal Year 2018			Fiscal Year 2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Swepco/AEP	\$ 100,665,820	1	5.73 %	\$ 65,743,970	1	4.81 %
Chesapeake Operating	28,105,000	2	1.60			
Calumet	17,477,050	3	0.99	12,510,660	7	0.92
Bell South	13,861,310	4	0.79	28,037,480	3	2.05
Universal Oil Products	13,479,820	5	0.77	17,112,220	4	1.25
Union Pacific Railroad Co.	13,393,930	6	0.76			
Wal-Mart	12,103,230	7	0.69	11,663,220	9	0.85
Kansas City Southern	11,396,950	8	0.65			
BHP Billiton Petro	11,391,910	9	0.65			
Gulf Crossing Pipeline	10,804,400	10	0.61			-
General Motors				29,919,430	2	2.19
Center Point Energy Gas Transmission				16,420,860	5	1.20
Sam's Town				15,557,700	6	1.14
Regions Bank				12,353,800	8	0.90
Capital One				9,501,050	10	0.70
Totals	<u>\$ 232,679,420</u>		<u>13.24 %</u>	<u>\$ 218,820,390</u>		<u>16.01 %</u>

Source: Caddo Parish Tax Assessor Agency

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended	Total Tax Levy for	Collected within the		Collections In Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy			Amount	Percentage of
June 30	Fiscal Year	Amount	Percentage of Levy		Amount	Levy
2009	\$ 106,812,179	\$ 100,737,878	94.31%	\$ 215,247	\$ 100,953,125	94.51%
2010	109,505,709	106,036,548	96.83%	191,552	106,228,100	97.01%
2011	115,979,633	113,177,522	97.58%	276,489	113,454,011	97.82%
2012	120,560,097	118,446,666	98.25%	229,346	118,676,012	98.44%
2013	123,114,756	121,758,953	98.90%	355,546	122,114,499	99.19%
2014	126,533,857	125,682,875	99.33%	796,571	126,479,446	99.96%
2015	128,651,945	126,238,537	98.12%	173,957	126,412,493	98.26%
2016	130,984,360	129,349,465	98.75%	126,999	129,476,464	98.85%
2017	128,130,971	125,525,000	97.97%	1,646,467	127,171,467	99.25%
2018	129,801,718	128,287,280	98.83%	1,605,821	129,893,101	100.07%

Source: Caddo Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Certificates of Indebtedness	QZAB and QSCB	Capital Lease Payable	Total Debt Outstanding	Percentage of Personal Income	Per Capita
2009	\$ 115,430,000	\$ 2,930,000	\$ 20,437,753	-	\$ 138,797,753	1.48%	249
2010	111,200,000	2,235,000	18,867,695	-	132,302,695	1.40%	237
2011	106,480,000	1,515,000	17,297,637	-	125,292,637	1.21%	544
2012	102,350,000	770,000	35,133,322	-	138,253,322	1.40%	515
2013	97,100,000	-	32,103,591	-	129,203,591	1.23%	487
2014	95,309,577	-	28,651,928	565,216	124,526,721	1.11%	542
2015	90,364,365	-	25,989,225	985,304	117,338,894	1.06%	511
2016	84,687,418	-	23,496,561	1,246,615	109,430,594	1.05%	495
2017	77,688,566	-	21,667,501	1,468,613	100,824,680	0.85%	474
2018	70,413,940	-	18,929,793	1,600,743	90,944,476	0.83%	444

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2009	\$ 115,430,000	\$ 9,269,356	\$ 106,160,644	0.86%	420
2010	111,200,000	9,677,752	101,522,248	0.82%	400
2011	106,480,000	10,769,006	95,710,994	0.74%	375
2012	102,350,000	12,176,155	90,173,845	0.68%	351
2013	97,100,000	11,953,725	85,146,275	0.61%	331
2014	95,309,577	11,844,751	83,464,826	0.64%	327
2015	90,364,365	12,194,061	78,170,304	0.56%	309
2016	84,687,418	11,164,706	73,522,712	0.51%	292
2017	77,688,566	9,971,469	67,717,097	0.46%	273
2018	70,413,940	8,903,865	61,510,075	0.42%	249

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Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Direct and Overlapping Governmental Activities Debt
 As of June 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Caddo Parish Commission	\$ 29,275,000	100.00%	\$ 29,275,000
City of Shreveport	189,576,000	100.00%	189,576,000
Subtotal, overlapping debt			<u>218,851,000</u>
Caddo Parish School Board Direct Debt			<u>90,944,476</u>
Total direct and overlapping debt			<u><u>\$ 309,795,476</u></u>

Source: Audit reports of respective governments.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Caddo Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes only general bonded debt.
- (4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining a portion of another governmental units taxable assessed value that is within the parish' boundaries and dividing it by each unit's total taxable assessed value.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 597,620,069	\$ 610,009,341	\$ 638,491,553	\$ 658,614,740	\$ 691,228,059	\$ 705,975,089	\$ 715,967,172	\$ 734,232,982	\$ 730,784,640	\$ 732,758,176
Total net debt applicable to limit	\$ 106,480,000	\$ 101,522,248	\$ 95,710,994	\$ 90,173,845	\$ 85,146,275	\$ 80,230,249	\$ 78,170,304	\$ 73,522,712	\$ 67,717,097	\$ 61,510,075
Legal debt margin	\$ 491,140,069	\$ 508,487,093	\$ 542,780,559	\$ 568,440,895	\$ 606,081,784	\$ 625,744,840	\$ 637,796,868	\$ 660,710,270	\$ 663,067,543	\$ 671,248,101
Total net debt applicable to the limit as a percentage of debt limit	17.82%	16.64%	14.99%	13.69%	12.32%	11.36%	10.92%	10.01%	9.27%	8.39%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 1,758,349,507
Add back: exempt real property	335,245,281
Total assessed value	<u>2,093,594,788</u>
Debt limit (35% of total assessed value)	<u>732,758,176</u>
Debt applicable to limit	
General Obligation bonds	70,413,940
Less: Amount set aside for repayment of general obligation debt	<u>8,903,865</u>
Total net debt applicable to limit	<u>61,510,075</u>
Legal debt margin	<u>\$ 671,248,101</u>

Source

Total assessed value is obtained from Caddo Parish Assessor Agency
Debt information is obtained from Table 10

Notes

The debt limit is 35% of total assessed value. This percentage is in accordance with Act (1) 103 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
2009	252,895	9,364,448,955	37,029	35.7	42,977	69.41	5.4
2010	253,623	9,464,956,737	37,319	35.6	42,000	64.57	6.8
2011	254,969	10,392,536,440	40,760	35.6	41,000	65.00	8.2
2012	257,051	9,859,962,258	38,358	36.1	40,442	64.90	7.2
2013	257,093	10,491,965,330	40,810	36.4	41,728	65.00	6.7
2014	254,887	11,254,025,711	44,153	36.2	40,769	67.79	7.1
2015	252,603	11,091,583,000	43,909	36.4	39,621	67.73	7.2
2016	251,460	10,372,976,460	41,251	35.0	39,530	71.20	7.4
2017	247,597	11,881,437,239	47,987	36.9	39,199	71.20	6.7
2018	246,581	10,988,882,265	44,565	*	39,708	70.35	5.8

Sources:

- (1) Population data obtained from U. S. Census Bureau and Center for Business Economic Research, Louisiana State University,
- (2) Per capita personal income data obtained from www.stats.indiana.edu.
- (3) Median age data obtained from U. S. Census Bureau and Center for Business Economic Research, Louisiana State University, Shreveport.
- (4) School enrollment at Oct 1 and free and reduced meals data obtained from Louisiana Department of Education.
- (5) Unemployment rate obtained from U. S. Department of Labor Bureau of Labor Statistics.

* 2018 data was not available.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Employers
Current Year and 2009

	2018		2009	
	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment
State of Louisiana	12,226	6.94%	14,490	12.02%
Barksdale Air Force Base	11,205	6.36%	9,018	7.48%
Caddo Parish School Board	6,101	3.46%	6,743	5.59%
LSU Health Sciences Center	6,200	3.52%	5,941	4.93%
Willis Knighton Health System	6,145	3.49%	5,061	4.20%
Bossier Parish School Board	2,926	1.66%	-	-
City of Shreveport	2,718	1.54%	2,641	2.19%
Wal-Mart/Sam's Stores	2,000	1.13%	-	-
Harrah's/Horseshoe Casino	1,800	1.02%	-	-
Christus Schumpert Health System	1,600	0.91%	2,018	1.67%
General Motors	-	-	2,093	1.74%
US Support Company			1,618	1.34%
Overton Brooks VA Medical Center			1,533	1.27%
El Dorado Casino	-	-	1,500	1.24%
Total	52,921	30.03%	52,656	43.67%

Source: North Louisiana Economic Partnership

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2018

Form of Government: Parish School Board
Geographic Area: 891 Square Miles
Population: 246,581
Public School Membership: Approximately 39,508

<u>Instruction Sites</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment at 10/1/2017</u>
High Schools:				
C.E. Byrd	1926	246,347	20.56	2,036
Caddo Parish Magnet	1964	111,618	26.50	1,054
Captain Shreve	1967	193,488	58.00	1,584
Green Oaks Performing Arts	1971	157,000	52.64	689
Huntington	1973	227,301	43.00	1,174
North Caddo	1954	96,425	40.00	397
Northwood	1970	147,486	63.20	1,028
Southwood	1970	195,503	60.00	1,661
Booker T. Washington	1950	145,366	33.00	999
Woodlawn	1960	176,858	53.00	837
		<u>1,697,392</u>	<u>449.90</u>	<u>11,459</u>
Middle Schools:				
Broadmoor Middle Lab	1949	88,586	16.00	475
Caddo Parish Middle Magnet	1965	110,432	20.00	1,235
Caddo Middle Career and Technology	1955	66,103	10.00	487
Donnie Bickham	1989	160,457	32.38	851
Herndon Magnet	1956	74,106	80.00	742
Fair Park Middle School	1928	162,741	23.00	848
		<u>662,425</u>	<u>181.38</u>	<u>4,638</u>

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2018

<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment at 10/1/2017</u>
Middle Schools (continued):				
Ridgewood	1965	83,415	19.98	704
Youree Drive	1959	97,304	26.25	910
		<u>843,144</u>	<u>227.61</u>	<u>6,252</u>
Elementary Schools:				
Arthur Circle	1955	41,225	12.77	393
Atkins Technology	1935	60,096	13.00	281
Blanchard	1948	63,130	10.00	434
Caddo Heights Math/Science	1949	74,609	15.00	373
Cherokee Park	1966	54,142	8.50	329
Claiborne Fundamental Magnet	1923	54,701	5.00	452
Creswell	1920	57,328	4.00	400
Eden Gardens Fundamental Magnet	1967	44,496	6.50	505
Eighty-First Street ECE	1954	52,572	12.60	115
Fairfield Magnet	1924	43,330	9.00	487
Forest Hill	1964	62,506	12.40	538
J S Clark	1958	116,266	30.00	473
Judson Fundamental Magnet	1954	32,284	12.00	406
Keithville	1989	172,850	32.50	950
Midway	1931	63,028	15.09	289
Mooretown	1954	54,000	10.00	253
Mooringsport	1911	44,648	4.00	300
North Highlands	1957	54,806	10.00	372
Northside	1955	38,193	12.00	405
Oak Park Microsociety	1961	107,252	20.00	440
Pine Grove	1963	57,309	10.00	380
Queensborough	1924	58,776	5.00	270
		<u>1,407,547</u>	<u>269.36</u>	<u>8,845</u>

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2018

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<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment at 10/1/2017</u>
Elementary Schools (continued):				
Riverside	1957	42,058	9.44	429
Shreve Island	1955	58,100	10.45	745
South Highlands Magnet	1922	54,343	5.40	501
Southern Hills	1959	77,674	10.00	785
A.C. Steere	1929	27,896	13.00	431
E.B. Williams Stoner Hill Lab	1954	34,587	14.44	239
Summer Grove	1954	39,535	12.00	600
Summerfield	1967	54,586	15.46	574
Sunset Acres	1954	57,975	10.73	244
Jack P. Timmons	1956	43,985	10.08	259
Turner	1984	162,000	17.00	1,021
University	1969	65,505	15.34	1,027
North Caddo Elementary/Middle	1923	90,651	9.00	714
Walnut Hill	1956	118,355	77.58	1,591
Werner Park	1942	68,977	8.30	323
Westwood	1960	38,881	10.00	381
		<u>2,442,655</u>	<u>517.58</u>	<u>18,709</u>
Other Instruction Sites:				
Academic Recovery Ombudsman	1956	68,140	11.69	77
Alexander Learning Center	1960	57,436	12.00	74
Caddo Central Office	1917	51,572	2.95	150
Caddo Career Center	1956	103,868	18.15	0
Special Education Center (Old Central Elen	1917	51,136	2.50	0
Magnolia School of Excellence	N/A	N/A	N/A	1,293
Newton Smith	1960	45,881	12.00	0
Pathways in Education - Louisiana, Inc.	N/A	N/A	N/A	413
School Nurse/Book Processing	1975	11,338	3.60	0
Special Education Center	1982	48,120	6.00	0
West Shreveport	1926	98,090	5.00	0
Lakeshore	1949	94,561	18.00	0
AMIkids Caddo	N/A	N/A	N/A	109
Caddo Virtual Academy	N/A	N/A	N/A	53
		<u>630,142</u>	<u>91.89</u>	<u>2,169</u>
Total Overall Instruction Sites		<u>5,613,333</u>	<u>1,286.98</u>	<u>38,589</u>

Concluded

CADDOPARISH SCHOOL BOARD
Shreveport, Louisiana

School Personnel
Last Ten Fiscal Years Ended June 30

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Teachers										
Less than a Bachelor's degree	44	45	51	47	44	37	39	37	33	32
Bachelor	1910	1911	1896	2009	1675	1686	1631	1599	1497	1438
Master	642	647	668	716	623	667	649	670	671	663
Master +30	265	239	230	252	191	215	187	184	197	177
Specialist in Education	29	27	27	30	26	23	21	17	18	13
Ph.D or Ed.D	7	11	8	9	8	8	11	11	16	17
Total	<u>2897</u>	<u>2880</u>	<u>2880</u>	<u>3063</u>	<u>2567</u>	<u>2636</u>	<u>2538</u>	<u>2518</u>	<u>2432</u>	<u>2340</u>
Principals & Assistants										
Bachelor	0	0	0	0	0	0	1	2	1	1
Master	62	64	63	63	61	58	63	70	60	62
Master +30	80	81	73	67	66	63	68	67	60	58
Specialist in Education	6	5	5	7	7	8	9	8	6	6
Ph.D or Ed.D	9	8	8	9	6	7	7	6	7	5
Total	<u>157</u>	<u>158</u>	<u>149</u>	<u>146</u>	<u>140</u>	<u>136</u>	<u>148</u>	<u>153</u>	<u>134</u>	<u>132</u>

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2009	565,739,387	42,977	13,164	0.37	2,852	15.07
2010	558,225,728	42,000	13,291	0.01	2,897	14.50
2011	552,691,216	41,000	13,480	0.01	2,880	14.24
2012	582,148,439	40,442	14,395	0.07	2,880	14.04
2013	577,153,411	41,728	13,831	-0.04	3,063	13.62
2014	494,966,474	40,769	12,141	-0.12	2,567	15.88
2015	498,218,961	39,621	12,575	0.04	2,636	15.03
2016	455,149,937	39,530	11,514	-0.08	2,538	15.58
2017	450,687,366	39,199	11,497	0.00	2,432	16.12
2018	426,137,778	39,708	10,732	-0.07	2,340	16.97

Notes:

- (1) This information is presented is extracted from agreed upon procedures report on performance and statistical d
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (3) Enrollment is extracted from Table 13, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 16, School Personnel.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Insurance in Force
6/30/2018

Type of Coverage/ Name of Company	Policy Number	Policy Period From To	Details of Coverage	Retention	Premium
Commercial Property Coverage CNA (Continental Casualty)	RMP5084732785	7/1/2018 7/1/2019	\$200,000,000 limit (12.5% of amounts declared for real and personal property) Business interruption (extra expense only) \$2,500,000 limit Accounts receivable \$5,000,000 limit Debris removal \$1,000,000 limit Earth movement - annual aggregate \$25,000,000 Electronic data processing -\$5,000,000 Flood Annual aggregate \$25,000,000 limit Locations situated in 100 year floodplains excluded	\$ 1,000,000	\$ 357,808 \$ 9,005 *
Casualty Package Berkley Insurance Co.	PEM000000206	7/1/2018 7/1/2019	\$2,000,000 per occurrence/\$4,000,000 aggregate -General Liability \$2,000,000 per accident - Automobile (excludes comprehensive, collision and UM) Sexual abuse - \$1,000,000 per claim/\$1,000,000 aggregate Claims Expense included within Retained Limit - In addition to Limits of Insurance	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000 \$ 750,000	\$ 196,500
Terrorism Property Insurance Lloyds of London	W238C2180101	7/1/2018 7/1/2019	Terrorism package \$15,000,000 per occurrence/\$15,000,000 aggregate	\$ 5,000	\$ 12,215
Crime Travelers Casualty & Surety	105813056	7/1/2018 7/1/2019	\$1,000,000 employee theft per loss \$1,000,000 limit for Board President, Superintendent & CFO	\$ 10,000 \$ 10,000	\$ 14,312
Boiler and Machinery Travelers Property & Casualty Co.	BME1-6053C501-TIL	7/1/2018 7/1/2019	Equipment Breakdown \$250,000,000 total limit per breakdown	\$ 25,000	\$ 24,857
Exterminator License Bond Travelers Casualty & Surety	100952946	5/3/2018 5/3/2019	\$2,000 limit	n/a	\$ 100
Disaster Management Response Lloyds of London	B1262PCO491518	7/1/2018 7/1/2019	Disaster Management Support \$1,000,000 per occurrence/\$2,000,000 aggregate	n/a	\$ 12,650
Excess Workers' Compensation State National Insurance Co.	NDE-0927517-17	7/1/2017 7/1/2018	Excess Workers' Compensation - Occurrence Limit & Policy Limit - Statutory Employers Liability - \$1M per occurrence, \$1M policy limit - Cash Flow Protection Retention of \$275K per year/occurrence	\$ 275,000	\$ 74,987
Student Accident (Voluntary) Markel Insurance Company	183170270	8/6/2018 8/6/2019	Voluntary student accident coverage		\$ -
Wright Flood Insurance for the following schools: Broadmoor Middle School Youree Middle School Southern Hills Elementary	Various	8/2/2018 8/2/2019	Various Limits	Various	\$ 9,264 \$ 19,275 \$ 17,429

* Surcharge

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Single Audit Report
and
Agreed-Upon Procedures Report

As of and for the Year ended June 30, 2018



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CADDO PARISH SCHOOL BOARD

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**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 Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Caddo Parish School Board (the School Board), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated January 23, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2018-001 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board'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; however, there were other matters required to be reported under *Government Auditing Standards*, described in the accompanying Schedule of Findings and Questioned Costs as items 2018-002 and 2018-003.

We noted certain matters that we reported to management of the School Board, in a separate letter dated January 23, 2019.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this report is not suitable for any other purpose. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 23, 2019



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**Independent Auditors' Report on Compliance for
Each Major Program and on Internal
Control over Compliance Required by the *Uniform Guidance***

Board Members
Caddo Parish School Board
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Caddo Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2018. The School Board's major federal programs are 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 each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board'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 each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Board, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the School Board 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 Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

We noted certain matters that we reported to management of the School Board, in a separate letter dated January 23, 2019.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated January 23, 2019, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 23, 2019

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity's Number</u>	<u>Federal Expenditures</u>	<u>Amounts Passed Through to Subrecipients</u>
United States Department of Agriculture				
Child Nutrition Cluster				
Cash Assistance				
Passed through Ender York, Inc. of Herndon, Virginia:				
Food Distribution (Cash in lieu of commodities)	10.555	N/A	\$1,347,436	
Passed through Louisiana Department of Education:				
School Breakfast Program	10.553	N/A	3,268,742	
National School Lunch Program	10.555	N/A	11,503,848	
Summer Food Service Program for Children	10.559	N/A	139,858	
Total Child Nutrition Cluster			<u>16,259,884</u>	-
Passed through Louisiana Department of Education:				
Fresh Fruit and Vegetable Program	10.582	N/A	52,690	-
Total United States Department of Agriculture			<u>16,312,574</u>	<u>-</u>
United States Department of Education				
Passed through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies	84.010	28-17-TA-09	153,615	
Title I Grants to Local Educational Agencies	84.010	28-17-RD1-09	43,300	
Title I Grants to Local Educational Agencies	84.010	28-17-BD01-09	414,585	
Title I Grants to Local Educational Agencies	84.010	28-18-RDI-09	252,121	
Title I Grants to Local Educational Agencies	84.010	28-18-T1-09	18,895,826	
Title I Grants to Local Educational Agencies	84.010	28-18-BPTO-	6,008	
Title I Grants to Local Educational Agencies	84.010	28-19-T1-09	152,735	
Total Title I Grants to Local Educational Agencies				128,500
Special Education Cluster (IDEA)				
Grants to States (IDEA Part B)	84.027	28-18-JP-09	59,266	
Grants to States (IDEA Part B)	84.027	28-18-BPT6-09	6,235	
Grants to States (IDEA Part B)	84.027	28-18-B1-09	9,732,666	
Grants to States (IDEA Part B)	84.027	28-19-B1-09	7,400	
Preschool Grants (IDEA Preschool)	84.173	28-18-CY-09	14,064	
Preschool Grants (IDEA Preschool)	84.173	28-18-P1-09	152,535	
Total Special Education Cluster (IDEA)			<u>9,972,166</u>	-
Career and Technical Education - Basic Grants to States				
Career and Technical Education - Basic Grants to States	84.048	28-17-02-09	30,802	
Career and Technical Education - Basic Grants to States	84.048	28-16-02-09	(200)	
Career and Technical Education - Basic Grants to States	84.048	28-18-02-09	514,902	
			<u>545,504</u>	-
Improving Teacher Quality State Grants (Title II)				
Improving Teacher Quality State Grants (Title II)	84.367	28-18-50-09	2,319,105	
Improving Teacher Quality State Grants (Title II)	84.367	28-19-50-09	47,788	
			<u>2,366,893</u>	-
Education for Homeless Children & Youth				
Education for Homeless Children & Youth	84.196	28-18-H1-09	179,045	-

(Continued)

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity's Number	Federal Expenditures	Amounts Passed Through to Subrecipients
English Language Acquisition Grant (Title III)	84.365	28-18-60-09 & 28-18-S3-09	\$ 43,604	\$ -
Title IV:				
Safe and Drug-Free Schools and Communities National Program	84.184	S184G140197-16	55,857	
Safe and Drug-Free Schools and Communities National Program	84.184	S184G140197-17	<u>525,594</u>	
			581,451	-
Math & Science Partnerships	84.366	26-16-MP-09	17,197	-
School Improvement Grants	84.377	28-17-TC07-09	2,347,120	
Striving Readers/Comprehensive Literacy Development	84.371	28-18-SR01-09	7,498	-
Preschool Development Grants	84.419	28-17-RM-09	93,098	
Preschool Development Grants	84.419	28-17-RL-09	26,935	
Preschool Development Grants	84.419	28-16-RL-09	<u>4,801</u>	
			124,834	-
Student Support and Academic Enrichment Program	84.424	28-18-71-09	255,034	
Student Support and Academic Enrichment Program	84.424	28-19-71-09	<u>810</u>	
			<u>255,844</u>	
Total United States Department of Education			<u>36,359,346</u>	<u>128,500</u>
United States Department of Health and Human Services				
Direct Program:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	20000291426	22,000	
Block Grants for Prevention and Treatment of Substance Abuse	93.959	20000291424	<u>70,058</u>	
			92,058	-
Passed through Louisiana Department of Education:				
Early Childhood Community Network CCDF	93.575	28-18-CO-09	67,570	-
Temporary Assistance for Needy Families (TANF) Cluster				
TANF - LA Pre-K Program	93.558	28-18-36-09	809,142	
JAG LA	93.558	28-18-JS-09	<u>144,871</u>	
Total TANF Cluster			<u>954,013</u>	-
Total United States Department of Health and Human Services			<u>1,113,641</u>	-
United States Department of Defense				
Direct Programs:				
Department of the Army: ROTC	12.UKN	N/A	1,029,146	-
Flood Control Projects	12.106	N/A	<u>2,401</u>	-
Total United States Department of Defense			<u>1,031,547</u>	-
TOTAL FEDERAL AWARDS			<u>\$54,817,108</u>	<u>\$ 128,500</u>

(Concluded)

Caddo Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal awards activity of the Caddo Parish School Board, Shreveport, Louisiana (the School Board), under programs of the federal government for the year ended June 30, 2018. The information in the 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). Because the Schedule presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School Board.

Note 2 – Summary of Significant Accounting Policies

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

The Caddo Parish School Board has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 – Relationship to Financial Statements

Federal awards revenues are reported in the School Board's fund financial statements as follows:

<u>Funds</u>	<u>Federal Sources</u>
General	\$ 1,031,546
Other Governmental:	
Special Education	9,972,166
Title II	2,366,893
Title III	43,605
Safe and Drug-Free	837,295
TANF/JAG	954,013
Mathematics & Science	17,197
School Improvement	2,347,120
Vocational Education	545,504
Title I	19,918,190
Homeless	179,045
Child Nutrition Fund	16,312,574
Behavioral Health	92,058
Misc. State/Federal Grants	199,902
Total	\$ <u>54,817,108</u>

Note 4 – Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

Caddo Parish School Board
Notes to the Schedule of Expenditures of Federal Awards (continued)
For the Year Ended June 30, 2018

Note 5 – Matching Revenues

For those funds that have matching revenue and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 6 – Noncash Programs

No noncash awards were received for the year ended June 30, 2018. The School Board received cash in lieu of commodities.

Note 7 – Loans and Loan Guarantees

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

Note 8 – Federally Funded Insurance

The School Board has no federally funded insurance.

**Caddo Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018**

Section I - Summary of Auditors' Results

A. Financial Statement Audit

Type of auditors' report issued on the basic financial statements: **Unmodified**

Internal control over financial reporting:

- Material weaknesses identified? **No**
- Significant deficiencies identified that are not considered to be material weaknesses? **Yes**

Noncompliance material to the basic financial statements noted? **No**

A separate management letter was issued on January 23, 2019.

B. Audit of Federal Awards

Type of auditors' report issued on compliance for major programs: **Unmodified**

Internal control over major programs:

- Material weaknesses identified? **No**
- Significant deficiencies identified that are not considered to be material weaknesses? **No**

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?
No

Any instances of material noncompliance in major programs disclosed during the audit? **No**

Identification of major programs:

<u>CFDA numbers</u>	<u>Name of federal program or cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.027, 84.173	Special Education Cluster (IDEA)
84.377	School Improvement Grants

The dollar threshold used to identify Type A programs: **\$1,644,513**

Auditee qualified as a low-risk auditee under the Uniform Guidance: **No**

Caddo Parish School Board
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2018

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

Reference # and title: 2018-001 Controls Over Purchasing and Procurement Cards

Year of Origination – June 30, 2016

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Good controls over purchasing and disbursements require appropriate checks and balances; therefore, more than one individual should be involved in the purchasing and disbursement functions. Management is to implement controls to ensure that purchases are (1) reasonable and necessary; (2) budgeted; (3) documented and approved; (4) received and safeguarded; and (5) used solely for the public purposes/functions of the School Board.

Condition: There were several procurement card purchases made by various employees during the year that were not supported with proper documentation or the documentation was not provided timely. We also noted that there were many employees with procurement cards or had more than one card.

Effect: Controls over procurement card usage were not effective in ensuring appropriate use. Management did not enforce the procurement card policy. This resulted in discovering that one employee abused the card by purchasing personal items.

Cause: The School Board is not consistently enforcing the written policy for procurement card usage by requiring supporting documentation on a timely basis.

Recommendation: We recommend that the School Board strengthen policies and procedures related to the use of procurement cards. Employees should always provide documentation to support procurement card purchases. If there is no documentation provided on a timely basis, it is considered abuse and the employee's card should be cancelled. Abuse of the procurement card shall result in revocation of the card and appropriate disciplinary action may include termination.

In addition, "government best practices" suggest limiting the usage and the number of procurement cards.

Views of responsible officials and corrective action plan: Controls have been implemented to improve these procedures:

- Supervisors and Directors are required to review and initial all procurement card statements for employees under their control.
- Purchasing Director is now reviewing procurement card purchases online and looking for anything that appears to be an irregular purchase. These are reported to the cardholder's Director and the Chief Financial Officer. An explanation as to the need for the item is requested. Any pattern of misuse will result in revocation of the card.
- Blanket Purchase Orders are reviewed more closely by the Purchasing Director for need and amount. A report is now being generated on a regular basis, listing all outstanding blanket purchase orders.
- Certain cards have been eliminated.

Anticipated completion date: New procedures were implemented in the next fiscal year (the fall of 2018).

**Caddo Parish School Board
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2018**

Person responsible for corrective actions:

Jeff Howard, Interim Chief Financial Officer
Caddo Parish School Board
1961 Midway Avenue
Shreveport, LA 71108
Telephone: 318-603-6355
Fax: 318-603-6512

Reference # and title: 2018-002 Fraud Incident – Misappropriation of Assets

Year of Origination – June 30, 2018

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Management of the School Board and the School is responsible for establishing and maintaining effective internal controls.

Condition: During the performance of an internal audit of University Elementary School completed in February 2018, it was discovered that the bookkeeper, had misappropriated \$26,753.23. This misappropriation occurred from 2016 through 2017. The bookkeeper was terminated and the matter was turned over to the Shreveport Police Department. Tracy Wood was ultimately arrested and her court case is still pending. The Legislative Auditor was notified in December 2018.

As a result of this theft, the principal was given further training on controls required to be in place at the school level to prevent the theft of public funds.

Effect: University Elementary experienced a weakness in internal control, which resulted in a misappropriation of assets.

Cause: The School did not have adequate internal controls in place to prevent or deter theft.

Recommendation: The School Board should notify Louisiana Legislative Auditor immediately after the theft was discovered. We believe actions taken by management regarding the additional training of the principal were appropriate.

Views of responsible officials and corrective action plan: The School Board concurs and will recommend the School implement additional controls to avoid this in the future along with closer oversight by the School Board.

Anticipated completion date: New procedures are already in place.

Person responsible for corrective actions:

Jeff Howard, Interim Chief Financial Officer
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Fax: 318-603-6512

**Caddo Parish School Board
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2018**

Reference # and title: 2018-003 Late Submission of Audit Report to Legislative Auditor

Year of Origination – June 30, 2018

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: R.S. 24:513 A (5)(a)(i) requires that "...audits shall be completed within six months of the close of the entity's fiscal year." The School Board's audit report should be submitted to the Louisiana Legislative Auditor by December 31 each year.

Condition: The School Board's audit report for the fiscal year ending June 30, 2018, was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i). The School Board requested an extension from the Legislative Auditor which was granted.

Effect: The auditor was unable to submit the School Board's report within the six month deadline as required by R.S. 24:513 A (5)(a)(i).

Cause: The actuarial valuation was received in December 2018. The School Board's auditor needed additional time to evaluate the reasonableness of the actuarial assumptions used in the valuations of the School Board's net OPEB liability related to the adoption of GASB 75.

Recommendation: The School Board should request their OPEB actuarial valuation at the beginning of the fiscal year to allow the auditor sufficient time to evaluate the reasonableness of the actuarial assumptions used in the valuations of the net OPEB liability.

Views of responsible officials and corrective action plan: This finding was beyond the control of the School Board and could not be avoided due to audit questions related to the valuations. Therefore, our audit had to be extended. As in all previous years, the Caddo Parish School Board will do everything within their control to prevent future late submissions.

Anticipated completion date: N/A

Person responsible for corrective actions:

Jeff Howard, Interim Chief Financial Officer
Caddo Parish School Board
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Shreveport, LA 71108
Telephone: 318-603-6355
Fax: 318-603-6512

Section III – Federal Award Findings and Responses

None

Other Information

**Caddo Parish School Board
Summary Schedule of Prior Year Audit Findings and
Management Letter Comments
For the Year Ended June 30, 2018**

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Reference # and title: 2017-001 Controls Over Purchasing and Procurement Cards

Year of Origination – June 30, 2016

Condition:

Purchasing: In October 2017, the Caddo Sheriff's Task Force received a tip about possible criminal activity involving a School Board employee, Brandon Lewis, who was the transportation buyer for the transportation department. The Task Force contacted the internal audit department and they investigated the allegation. Lewis was placed on leave and then terminated. The offenses in question occurred between September 2014 and October 2017. The internal audit investigation concluded that Lewis used his business credit card for unauthorized purchases, which included purchasing VISA gift cards; created forged invoices to cover his activity; and used the School Board's account to purchase car parts and building materials from vendors for his personal gain. Based on the information gathered, the total loss is estimated at more than \$260,000. A claim has been filed with the School Board's insurance carrier. As of the date of this report, charges had not been filed against the former employee because the Sheriff's investigation was not yet complete. Brandon Lewis was arrested on January 31, 2017. The School Board's internal controls did not allow the detection of fraud or misappropriation in a timely manner.

Procurement Cards: There were several procurement card purchases made by various employees during the year that were not supported with proper documentation or the documentation was not provided timely. We also noted that there were many employees with procurement cards or had more than one card.

Corrective action taken: This is a repeat finding. See Finding 2018-001.

SECTION II – FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

Reference # and title: 2017-002 Special Testing Documentation

Year of Origination – June 30, 2017

Federal Program and Specific Award Identification:

This finding relates to Title I, Grants to Local Education Agencies, CFDA #84.010.

Condition:

We selected a sample of forty students to test from the 2016-2017 accountability year listing of students removed from the regulatory adjusted cohort. There were eight exceptions. Six of the items had no documentation at all and two items did not have the required documentation needed for support.

Corrective action taken:

Controls have been implemented to maintain the proper documentation.

Reference # and title: 2017-003 Timely Removal of Employee from Monthly Payments

Year of Origination – June 30, 2017

Federal Program and Specific Award Identification:

This finding relates to Army – ROTC.

Condition:

During testing of payroll transactions and monthly electronic fund transfers from the Army, funds were received for six months after an instructor had resigned in July 31, 2016. This was corrected by the Army in the February reimbursement with an adjustment to collect the overpayment of \$31,665.

Corrective action taken:

Controls have been implemented to review the monthly EFT reports received from the Army to ensure that any terminated employees have been removed. Also, documentation is maintained to support when terminations/retirements are communicated to the Army.

SECTION III – MANAGEMENT LETTER

MLC 2017-001 Budgets

Unresolved (See MLC 2018-001)

MLC 2017-002 Bid Law

Resolved



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Management Letter

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board (the School Board) for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated January 23, 2019. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the School Board's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. 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 and the provisions of the Uniform Guidance.

As a part of our examination, we have issued our report on the financial statements, dated January 23, 2019, and our reports on internal control and compliance with laws, regulations, contracts, and grants, and on compliance for each major program and internal control over compliance required the Uniform Guidance dated January 23, 2019.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

MLC 2018-001 Budgets

Year of Origination – June 30, 2014

Observation:

During review over budget compliance, we noted that a budget was not adopted for one of the special revenue funds, the School Improvement Fund.

Also, we noted that neither the Audit Committee nor the Board of Directors formally reviewed or discussed the budget-to-actual financial statements.

We noted that the General Fund beginning fund balance in the adopted budget was overstated by \$7 million. The fund balance used for budgeting included non-spendable and committed amounts when it should have only presented unassigned fund balance.

We noted that the School Board has a budget policy related to a minimum unassigned fund balance. It states that the minimum fund balance for the General Fund should not drop below 10% of the General Fund's total annual expenditures. The use of General Fund balance below the established minimum limit of 10% shall only be for unanticipated or unforeseen events of a non-recurring nature, as may be approved by the School Board. The June 30, 2018 unassigned general fund's fund balance was only 1% of the general fund annual expenditures. The School Board is not in compliance with the policy.

While the School Board is in compliance with the Louisiana Budget Law; the budget that was adopted and amended had large variances. The adopted budget for the General Fund was "balanced" where revenue equaled expenditures; however, there was approximately a \$9 million loss in the General Fund in the current year and this includes a \$5 million transfer in from the Insurance Fund. The unassigned fund balance has been declining at a higher rate over the last two years.

Recommendation:

We recommend that the School Board implement procedures to ensure that no special revenue funds are omitted from the budget package presented to the Board for adoption. If a special revenue fund is created after the board has adopted the budget package, then an amended budget should be presented to include any new funds.

We recommend that the Audit Committee review monthly budget-to-actual financial statements and present any significant variance to the Board of Directors. The Audit Committee and the Board of Directors need to be kept abreast of all significant budget variances during the year. These variances should be explained by the CFO or appropriate department head and documented in the board/committee meeting minutes.

The General Fund beginning fund balance for budgeting should be amended to equal the ending unassigned fund balance from the previous year.

Management should develop a strategic plan to increase the General Fund's unassigned fund balance to comply with its policy.

When adopting and amending the budget, revenues and expenditures should be analyzed in detail to reflect a realistic outlook.

Views of responsible officials and corrective actions:

There was no activity in the School Improvement Fund in the past few years and therefore no budget was included in the budget package. Subsequently, a large federal grant was received for the 2017-18 school year for School Improvement; however, no budget amendment was made to include this new fund.

Management plans to implement a process for review and documenting variances in the budget-to-actual financial statements.

MLC 2018-002 Donation of School Improvement Project

Year of Origination – June 30, 2018

Observation:

When reviewing the CPSB internal audit reports we noted that an outside organization/booster club raised money and made significant school improvements at Byrd High School. We noted that these school improvements were not included in the School Board's records as fixed asset additions resulting in an understatement of total fixed assets.

Recommendation:

We recommend the school principals obtain an accounting of all projects or fixed assets that exceed \$5,000 and are donated to the school by an outside organization or booster club. The documentation for those donations should be forwarded to the Central office so the fixed asset addition can be properly reflected in the financial statements as a donation and also included in the fixed assets records.

Views of responsible officials and corrective actions:

Management agrees with the recommendation made. This procedure is currently in place and documented in the Fixed Asset Policy and Procedure Manual. Management will update the manual to specifically address school improvements.

MLC 2018-003 Payroll Errors resulting in Overpayments

Year of Origination – June 30, 2018

Observation:

When performing testwork, we noted that there was an employee that only showed up to work one day but continued to receive a paycheck from November 2017 through April 2018. This person was overpaid approximately \$6,700. In November 2018, the person signed an agreement to make full restitution by making 24 monthly installment payments beginning December 1, 2018.

We made inquiries as to whether there are other instances where an employee was overpaid. Human resources provided a list of names of 20 additional people (not including the one mentioned above) who have owed or currently owe the School Board. The amount owed totaled approximately \$69K. The amount paid back to the school board as of December 2018 was approximately \$27K leaving a balance of approximately \$42K that is still due.

Having payment plans for these individuals have the appearance of a loan, which is a violation of the Louisiana Constitutions Article VII Section 14.

Recommendation:

We recommend that the School Board continue to pursue repayment from the individuals owing money. In addition, the controls over payroll should be strengthened to ensure proper payment and timely removal from the payroll system of employees who no longer are employed.

Suggested payment plans should be made in lump sum or at least no more than two payments to avoid the appearance of a loan which is a violation.

Views of responsible officials and corrective actions:

Management will continue to work with Human Resources to ensure timely repayments from individuals owing the District money. We will also work to tighten the internal controls over payroll to ensure employees are removed from the payroll system more timely.

MLC 2018-004 Pension Contribution Errors

Year of Origination – June 30, 2018

Observation:

When performing testwork, we noted that there was a payment of \$139,630 on December 19, 2017, paid to TRSL. According to the documentation, it was for corrections in contribution payments for the years 2007 to 2013. The errors were discovered from the contributions exceptions report and TRSL notifying Human Resources of the errors.

Corrections for periods of up to three years after the Monthly Salary and Contributions report was due, will be charged for the member and employer contributions plus interest at TRSL's assumed actuarial valuation rate. However, since the corrections for periods more than three years after the reports were due, the amounts included in \$139,630 payment are considered a purchase of service credit under LSA R.S. 11:888(c)(2).

There is also additional corrections to contributions due to TRSL for years after 2013. The amount currently is unknown. The payment is expected to be paid by June 30, 2019.

Recommendation:

We recommend that the School Board investigate why these errors occurred and put controls in place to avoid future errors.

Views of responsible officials and corrective actions:

Management will investigate pension contributions to determine the amount that is expected to be paid by June 30, 2019. Management will work with Human Resources to ensure controls are put in place to avoid any future errors.

This report is intended solely for the information and use of the Members of the School Board, management, others within the School Board, the Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 23, 2019



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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Caddo Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. Management of the School Board is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and 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, and
 - Nonpublic Transportation Revenue.

Comment: No exceptions were found as a result of applying the agreed-upon procedure.

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.

Comment: No exceptions were found as a result of applying the agreed-upon procedure.

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

3. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Comment: No exceptions were found as a result of applying the agreed-upon procedure.

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

Comment: No exceptions were found as a result of applying the agreed-upon procedure.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Caddo Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 23, 2019

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2018**

<u>General Fund Instructional and Equipment Expenditures</u>	<u>Column A</u>	<u>Column B</u>
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 121,201,555	
Other Instructional Staff Activities	18,753,592	
Employee Benefits	86,977,819	
Purchased Professional and Technical Services	2,986,536	
Instructional Materials and Supplies	5,595,738	
Instructional Equipment	<u>367,870</u>	
Total Teacher and Student Interaction Activities		\$ 235,883,110
Other Instructional Activities		879,759
Pupil Support Activities	27,526,086	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		27,526,086
Instructional Staff Services	18,101,607	
Less: Equipment for Instructional Staff Services	<u>373,195</u>	
Net Instructional Staff Services		17,728,412
School Administration	30,257,312	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>30,257,312</u>
Total General Fund Instructional Expenditures		<u>\$ 312,274,679</u>
Total General Fund Equipment Expenditures		<u>\$ 962,356</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ 13,506,149
Renewable Ad Valorem Tax		86,351,703
Debt Service Ad Valorem Tax		-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		2,430,948
Sales and Use Taxes		<u>78,464,255</u>
Total Local Taxation Revenue		<u>\$ 180,753,055</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property	\$ -	
Earnings from Other Real Property		<u>182,898</u>
Total Local Earnings on Investment in Real Property		<u>\$ 182,898</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax	\$ 326,882	
Revenue Sharing - Other Taxes		1,466,300
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		<u>-</u>
Total State Revenue in Lieu of Taxes		<u>\$ 1,793,182</u>
Nonpublic Textbook Revenue	\$ 71,550	
Nonpublic Transportation Revenue	<u>\$ -</u>	

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 2

Class Size Characteristics
As of October 1, 2017

School Type	Class Size Range							
	1-20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	48%	3,148	40%	2,666	11%	743	1%	41
Elementary Activity Classes	45%	752	42%	706	12%	210	1%	21
Middle/Jr. High	48%	943	22%	429	30%	588	0%	2
Middle/Jr. High Activity Classes	52%	214	17%	72	17%	70	14%	57
High	62%	3,330	14%	754	19%	1,000	5%	288
High Activity Classes	81%	616	10%	75	5%	39	4%	27
Combination	57%	313	36%	197	6%	32	1%	3
Combination Activity Classes	55%	36	30%	20	8%	5	8%	5

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.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Caddo Educational Excellence Fund
Independent Accountants' Report
On Applying Agreed-Upon Procedures

For the Year Ended June 30, 2018



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RIGGS &
INGRAM

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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Caddo Parish School Board ("School Board"), solely to assist you in evaluating the effectiveness of the School Board's compliance with Louisiana RS 17:408.2 (Act No. 743 of the 1995 Louisiana Legislative Session) concerning the Caddo Educational Excellence Fund (CEEF) (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2018. The Caddo Parish School Board's management is responsible for the School Board's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Obtained the balances and a summary of the activity of the CEEF funds from the School Board as of and for the year ended June 30, 2018.

Comment: See Attachment I and II.

2. We selected all of the deposits from the two riverboats from the CEEF general ledger covering all twelve months during the fiscal year ended June 30, 2018, totaling \$564,631, or 100% of total fees collected, and compared the amounts received to the amounts that should be received per the written agreements and the revenue reported by the casinos to the Louisiana Gaming Control Board. LSA-R.S. 27:93 requires that:

- a. The School Board is receiving the correct amount from the respective casinos per written agreement.

Comment: Only 11 months of revenue from Boomtown casino were recognized for the year ended June 30, 2018. The payment for the 12th month was not received and recorded until July 2018. No other exceptions were found in the procedures performed.

3. Agreed the amount of interest removed from the CEEF general ledger and the School Board's CEEF bank account to the amount deposited into the CEEF Operating Special

Revenue Fund general ledger and the School Board's sweep bank account in January 2018, from which disbursements are made. LSA-R.S. 17:408.1(A) requires that:

- a. The CEEF was established
- b. The CEEF is a permanent trust fund
- c. The bank account for the CEEF is in the official repository of the Caddo Parish School Board
- d. The monies in the CEEF were held and invested on behalf of the Caddo Parish School Board.
- e. The investment income from the CEEF accounts was withdrawn by the Caddo Parish School Board only during January of the calendar year.

Comment: No exceptions were found in the procedures performed.

4. Compared the investments of the monies held in the CEEF bank account to the types of investments allowed by the State of Louisiana. Louisiana R.S. 17:408.1B requires that:
 - a. The monies in the CEEF are to be invested in the same manner as monies in the state general fund.
 - b. The amount of earnings in the CEEF was kept account of separately from the fund principal.

Comment: No exceptions were found in the procedures performed.

5. Obtained a general ledger detail of the CEEF fund expenditure activity. From this, we judgmentally selected 3 expenditures which made up 100% of total CEEF disbursements, and agreed the expenditure amount to the invoice. We reviewed the invoices to ensure all disbursements were approved based on the School Board's required policy and expended solely for the purposes of instructional enhancement as defined below:

Enhancement may include:

- Provision for materials and supplies, including computers and other technological upgrades;
- Training for students, faculty and administrators on the use of materials;
- Professional development of teachers;
- Establishment of exemplary programs of instruction.

Enhancement may not include:

- Costs of additional administrators;
- Increases in salaries of benefits for employees, or maintenance or custodial costs

Comment: No exceptions were found in the procedures performed.

6. Recalculated the amount of interest being removed from the CEEF as recorded in the CEEF general ledger.

Comment: No exceptions were found in the procedures performed.

7. Compared approval of expenditures tested in step 5 to the School Board's required policy.

Comment: No exceptions were found in the procedures performed.

We were not engaged to, and did not conduct an audit or examination, the objective of which would be the expression of an opinion on the School Board's compliance with Act 743 of 1995 concerning the Caddo Educational Excellence Fund (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2018. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Caddo Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
January 23, 2019

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana
 Statements of Revenue, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2018

(Unaudited)

	<u>Caddo Educational Excellence Permanent Fund</u>	<u>Caddo Educational Excellence Special Revenue Fund</u>
Revenues:		
Fees:		
Sam's Town	\$ 468,118	\$ -
Boomtown	96,513	-
Interest earnings	<u>193,220</u>	<u>-</u>
Total operating revenues	<u>757,851</u>	<u>-</u>
Expenditures – administration, current instruction, support services	<u>-</u>	<u>5,235</u>
Excess of revenues over expenditures	757,851	(5,235)
Operating transfers to/from other funds	<u>(65,319)</u>	<u>65,319</u>
Net change in fund balance	692,532	60,084
Fund balance, beginning of year	<u>21,501,964</u>	<u>275,387</u>
Fund balance, end of year	<u>\$ 22,194,496</u>	<u>\$ 335,471</u>

**Caddo Parish School Board
Shreveport, Louisiana**

AGREED-UPON PROCEDURES REPORT

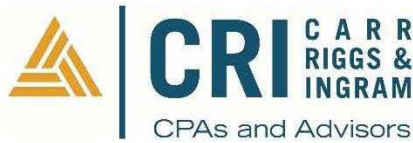
June 30, 2018



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Caddo Parish School Board and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Caddo Parish School Board ("CPSB") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. CPSB's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories:

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Results: No exceptions were found as a result of applying the procedure.

- b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Results: The Purchasing policy does not address controls to ensure compliance with public bid law. In addition, certain aspects of the following items were mentioned, but they were not specific or detailed: how vendors are added to the vendor list, the preparation and approval process of purchase requisitions and purchase orders, and the documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving.
Results: There were Disbursement policies that properly addressed the components above; however, they were only for the individual schools.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.
Results: There were Receipt policies that properly address the components above; however, they were only for the individual schools.
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Results: The Payroll/Personnel policy addressed certain components; however, there were no references to approving absences in the SunGuard system.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring card usage.
Results: There was no separately written internal policy for Contracting.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.
Results: The Credit Card policy did not address how cards are to be controlled.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Results: No exceptions were found as a result of applying the procedure.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
Results: The Ethics policy did not include: actions to be taken if an ethics violation takes place, system to monitor possible ethics violations, and does not have a requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Results: The Debt Service policy did not include EMMA reporting requirements. No other exceptions were found.

Board or Finance Committee

2. Obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's/finance committee's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's/finance committee's enabling legislation, charter, bylaws or other equivalent document.

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that the minutes referenced or included monthly budget-to actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements or budget-to-actual comparisons, if budgeted for major proprietary funds.

Results: The Caddo Parish School Board did not reference Budget-to-Actual comparisons for the General Fund and major funds for any month during the fiscal year. The adoption and amending of the annual budget is referenced in February 2018, April 2018 and June 2018.

- c) Obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Results: No exceptions were found as a result of applying the procedure.

Bank Reconciliations

3. Obtained a listing of client bank accounts from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account and randomly selected four additional accounts (or all accounts if less than five). Randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for each selected account, and observed that:
 - a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;

Results: No exceptions were found as a result of applying the procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation;

Results: No exceptions were found as a result of applying the procedure.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: There was one instance of a reconciliation including items that were more than 12 months outstanding with no evidence of being researched.

Collections

4. Obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected five deposit sites (or all deposit sites (if less than five)).
5. **Results: Management provided a list of deposit sites and represented that it was complete. From this list, five deposit sites were randomly selected.**
 5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site, obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures – inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
Results: No exceptions were found as a result of applying the procedure.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation to the deposit.
Results: In four of the five locations subject to procedures, the cash collector is responsible for preparing/making bank deposits.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
Results: In all five locations subject to procedures, the cash collector is responsible for posting collection entries to the general ledger.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verified the reconciliation.
Results: In three of the five locations subject to procedures, the cash collector is responsible for reconciling cash collections to the general ledger by revenue source or agency fund.
6. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
Results: No exceptions were found as a result of applying the procedure.
7. Randomly selected two deposit dates for each of the five bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). Obtained supporting documentation for each of the ten deposits and:
 - a) Observed that receipts are sequentially pre-numbered.
Results: No exceptions were found as a result of applying the procedure.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
Results: No exceptions were found as a result of applying the procedure.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were found as a result of applying the procedure.

- d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten miles from the collection location or the deposit is less than \$100).

Results: There were six instances of a deposit being made more than one business day after collection.

- e) Traced the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 8. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

Results: Management provided a list of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) and represented that it was complete.

- 9. Using the listing prepared by management, randomly selected five cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), obtained supporting documentation, and:

- a) Observed that there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were found as a result of applying the procedure.

- 10. Using the monthly statements or combined statements selected under #9 above, excluding fuel cards, randomly selected ten transactions (or all transactions if less than ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Results: No exceptions were found as a result of applying the procedure.

Contracts

11. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtained management's representation that the listing is complete. Randomly selected five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Results: Management provided a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period and represented that it was complete.

- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law if required by law.

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that the contract was approved by the governing body/board, if required by policy or law.

Results: There is one instance of a contract not having proper approval.

- c) If the contract was amended, observed that the original contract terms provided for such an amendment.

Results: No exceptions were found as a result of applying the procedure.

- d) Randomly selected one payment from the fiscal period for each of the five contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of applying the procedure.

Payroll and Personnel

12. Obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected five employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

Results: Management provided a listing of employees/elected officials employed during the fiscal period and represented that it was complete. Five employees were randomly selected.

13. Randomly selected one pay period during the fiscal period. For the five employees/officials selected under #12 above, obtained attendance records and leave documentation for the pay period, and:

- a) Observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that supervisors approved the attendance and leave of the selected employees/officials.

Results: No exceptions were found as a result of applying the procedure.

- c) Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: No exceptions were found as a result of applying the procedure.

14. Obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees/officials, obtained related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulate leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results: No exceptions were found as a result of applying the procedure.

15. Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of applying the procedure.

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 those C/C areas identified in the SAUPs. 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC
Shreveport, Louisiana
December 28, 2018



CADDO PARISH SCHOOL BOARD

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Theodis Lamar Goree, Ph.D.
Superintendent

January 2, 2019

Louisiana Legislative Auditor
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Baton Rouge, LA 70804-9397

and

Carr, Riggs, & Ingram
1000 East Preston Avenue
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Shreveport, LA 71105

Re: Management Response to Agreed-Upon Procedures

The Caddo Parish School Board Management Team has reviewed the Independent Accountant's Report on Applying Agreed-Upon Procedures. The Management Team is in agreement with the report as provided by Carr, Riggs & Ingram. In addition, the Caddo Parish School Board has implemented changes or additions to policy or procedures where necessary to meet the expectations identified in the report.

Respectfully,

A handwritten signature in black ink, appearing to read "Jeff Howard", written over a horizontal line.

Jeff Howard
Interim Chief Financial Officer