

Catahoula Parish School Board

Harrisonburg, Louisiana

June 30, 2022

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

To the Catahoula Parish School Board
Harrisonburg, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Catahoula Parish School Board, Harrisonburg, Louisiana, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Catahoula Parish School Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Catahoula Parish School Board, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Catahoula Parish School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.





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To the Catahoula Parish School Board
Harrisonburg, Louisiana

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Catahoula Parish School Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2022, the Catahoula Parish School Board adopted new accounting guidance, *GASB Statement No. 87, Leases*. Our opinion is not modified with respect to this matter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Catahoula Parish School Board's internal control. Accordingly, no such opinion is expressed.



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To the Catahoula Parish School Board
Harrisonburg, Louisiana

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Catahoula Parish School Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedule of employer contributions - OPEB, schedules of employer's share of net pension liability, schedules of employer contributions, and notes to required supplementary information labeled "Required Supplementary Information" in the table of contents (Part I and Part II) be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Catahoula Parish School Board's basic financial statements. The schedule of compensation paid board members, the schedule of compensation, benefits, and other payments to the agency head, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the



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To the Catahoula Parish School Board
Harrisonburg, Louisiana

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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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 compensation paid board members, the schedule of compensation, benefits, and other payments to the agency head, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2023, on our consideration of the Catahoula Parish 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 Catahoula Parish 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 Catahoula Parish School Board's internal control over financial reporting and compliance.

Payne, Moore + Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

January 12, 2023

Required Supplementary Information – Part I

Management's Discussion and Analysis

**Catahoula Parish School Board
Management's Discussion and Analysis
June 30, 2022**

The discussion and analysis of Catahoula Parish School Board's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2022. 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 financial statements and notes to the financial statements to enhance their understanding of the School Board's financial performance.

Government-wide Financial Statements:

The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the School Board's finances in a manner similar to private sector business.

The *Statement of Net Position* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *Statement of Activities* presents information showing how the government'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 the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipality owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund Financial Statements:

A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The 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 School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds:

Governmental funds are used to account for essentially the same functions 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 available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. Because of 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-

**Catahoula Parish School Board
Management's Discussion and Analysis
June 30, 2022**

term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Title I Fund, and Economic Stabilization Fund. The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds.

The School Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds. Budgets were not adopted for Debt Service Funds. As such, a budget to actual was not prepared for the Debt Service Funds.

Notes to the 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.

Financial Analysis of the Entity

**Statement of Net Position
As of June 30, 2022**

Cash and Cash Equivalents	\$ 5,767,369
Receivables	369,131
Due from other governmental agencies	1,430,392
Inventory	56,729
Restricted certificates of deposit	319,000
Lease receivables	258,256
Capital assets	
Non-depreciable	
Land	2,365,000
Depreciable	
Land improvements	367,519
Building and improvements	28,510,478
Furniture and equipment	1,167,364
Less – accumulated depreciation	(27,411,196)
Net Capital Assets	4,999,165
Total Assets	13,200,042
Deferred outflows of resources	3,565,967
Deferred outflow of other post-employment benefit resources	4,403,309
Total Deferred Outflows of Resources	7,969,276

**Catahoula Parish School Board
Management's Discussion and Analysis
June 30, 2022**

Accounts payable and accrued expenses	43,329
Due to other governmental agencies	29,150
Salaries and employee benefits payable	1,655,528
Long term liabilities	
Due within one year	
Bonds payable	40,000
Compensated absences	449,774
Due in more than one year	
Bonds payable	860,000
Net pension liability	6,804,733
Post-employment benefit obligation	25,710,259
Total Liabilities	<u>35,592,773</u>
Deferred inflow of pension resources	5,670,550
Deferred inflow of other post-employment benefit resources	4,108,588
Deferred inflow of lease resources	<u>258,256</u>
Total Deferred Inflows of Resources	10,037,394
Net investment in capital assets	4,099,165
Restricted:	
Restricted for debt service	433,700
Restricted for salaries and related benefits	213,708
Restricted for grants	29,999
Restricted for student activities	347,925
Restricted other special purposes	153,064
Unrestricted	<u>(29,738,410)</u>
Total Net Position	\$ (24,460,849)

- Capital assets, which are reported net of depreciation, account for 37% of the total assets of the School Board. This does not include the deferred pension outflows of resources.
- Net investment in capital assets account for 31% of the total net assets reported. This does not include the net position due to the net pension liability or post-employment benefit obligation.

**Statement of Activities
For the year ended June 30, 2022**

Revenues	
Charges for services	\$ 10,018
Operating grants	6,576,358
General Revenues	
Property taxes	1,076,335
Sales taxes	3,524,708
Rents/leases	107,282
Earnings on investments	23,661
MFP	8,213,000
Other	<u>820,643</u>
Total Revenues	20,352,005

**Catahoula Parish School Board
Management's Discussion and Analysis
June 30, 2022**

Expenses

Regular programs	5,741,918
Special education programs	1,191,850
Vocational programs	895,222
Other instructional programs	775,703
Special programs	675,217
Adult and continuing education programs	4,383
Student services	908,690
Instructional staff support	1,052,810
General administrative	484,681
School administration	486,809
Business services	459,458
Plant services	2,343,399
Student transportation services	1,222,597
Central services	30,155
Food services	1,109,051
Community service programs	6,344
Interest on debt services	14,050
Transfer to charter schools	405,562
Total Expenses	<u>17,807,899</u>

Change in Net Position	2,544,106
Net Position, Beginning of Year, as Restated	<u>(27,004,955)</u>
Net Position, End of Year	\$ (24,460,849)

- Sales tax collections decreased slightly from the prior year. This seems to be from a decrease in new work being done within the parish.
- MFP accounts for 40% of total revenues.
- Grant funding increased 49%, due to new grants the parish received due to the pandemic.
- Transfers to charter schools increased by 23% as more students are choosing to attend Delta Charter School and/or the various online charter schools available.

Capital Asset and Debt Administration

Capital Assets

At the end of 2022, the Catahoula Parish School Board had \$4,999,165 in capital assets. This amount represents a net increase of \$350,508. This increase includes all additions, deletions, and annual depreciation and is mainly due to updates made with available grant money.

**Catahoula Parish School Board
Management's Discussion and Analysis
June 30, 2022**

**Capital Assets at Year-end
(Net of Depreciation)**

	2021	2022
Land and land improvements	\$ 2,389,105	\$ 2,458,265
Buildings	2,192,891	2,038,742
Equipment	66,661	502,158
Totals	\$ 4,648,657	\$ 4,999,165

Long-term Debt

At the end of the current fiscal year, the Catahoula Parish School Board had bonded debt outstanding of \$900,000. This includes Qualified School Construction Bonds that are low interest.

Variations Between Original and Final Budgets

Revenue and expenses were higher due to new grant funding of pandemic money.

Economic Factors and Next Year's Budgets

Growth of the parish seems to be in a continued state of decline. Student population for 2022-2023 has decreased from 2021-2022, although at a much slower rate than the prior year. The board will still have a mid-year adjustment for the 2022-2023 MFP which may trigger a budget revision during the year.

The Catahoula Parish School Board's elected officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Teacher's Retirement increased by 1%.
- School Employee's retirement decreased by 1.10%.
- State Group Insurance rates will increase in January 2023, and will be reflected in any budget revision done.
- Grant expenditures have increased due to the additional grant funding due to the pandemic.

The Catahoula Parish School Board expects that the 2022-2023 year will end in a surplus.

Contacting the Catahoula Parish School Board's Management

This financial report is designed to provide a general overview of the School Board's finances with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Lora White, Business Manager, Catahoula Parish School Board, P.O. Box 690, Harrisonburg, LA 71340.

Basic Financial Statements

Government-Wide Financial Statements

**Catahoula Parish School Board
Harrisonburg, Louisiana
Statement of Net Position
Governmental Activities
June 30, 2022**

Exhibit A

Assets		
Cash and cash equivalents		\$ 5,767,369
Receivables		369,131
Due from other governmental agencies		1,430,392
Inventory		56,729
Restricted certificates of deposit		319,000
Lease receivables		258,256
Capital assets		
Nondepreciable		
Land	2,365,000	
Depreciable		
Land improvements	367,519	
Buildings and improvements	28,510,478	
Furniture and equipment	1,167,364	
Less - accumulated depreciation	(27,411,196)	
Net capital assets		4,999,165
Total Assets		13,200,042
Deferred Outflows of Resources		
Deferred outflow of pension resources		3,565,967
Deferred outflow of other post-employment benefit resources		4,403,309
Total Deferred Outflows of Resources		7,969,276
Liabilities		
Accounts payable and accrued expenses		43,329
Due to other governmental agencies		29,150
Salaries and employee benefits payable		1,655,528
Long-term liabilities		
Due within one year		
Bonds payable		40,000
Compensated absences		449,774
Due in more than one year		
Bonds payable		860,000
Net pension liability		6,804,733
Post-employment benefit obligation		25,710,259
Total Liabilities		35,592,773
Deferred Inflows of Resources		
Deferred inflow of pension resources		5,670,550
Deferred inflow of other post-employment benefit resources		4,108,588
Deferred inflow of lease resources		258,256
Total Deferred Inflows of Resources		10,037,394
Net Position		
Net investment in capital assets		4,099,165
Restricted for		
Salaries and related benefits		213,708
Grants		29,999
Debt service		433,700
Student activities		347,925
Other special purposes		153,064
Unrestricted		(29,738,410)
Total Net Position		\$ (24,460,849)

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

**Catahoula Parish School Board
Harrisonburg, Louisiana
Statement of Activities
Governmental Activities
For the Year Ended June 30, 2022**

Exhibit B

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Current				
Instruction				
Regular programs	\$ 5,741,918	\$ -	\$ 2,318,710	\$ (3,423,208)
Special education programs	1,191,850	-	51,748	(1,140,102)
Vocational programs	895,222	-	70,677	(824,545)
Other instructional programs	775,703	2,111	219,612	(553,980)
Special programs	675,217	-	767,775	92,558
Adult and continuing education programs	4,383	-	-	(4,383)
Support services				
Student services	908,690	-	282,062	(626,628)
Instructional staff support	1,052,810	-	884,984	(167,826)
General administration	484,681	-	-	(484,681)
School administration	486,809	-	-	(486,809)
Business services	459,458	-	-	(459,458)
Plant services	2,343,399	-	809,430	(1,533,969)
Student transportation services	1,222,597	-	362,275	(860,322)
Central services	30,155	-	-	(30,155)
Food services	1,109,051	7,907	809,085	(292,059)
Community service programs	6,344	-	-	(6,344)
Debt Service				
Interest and other charges	14,050	-	-	(14,050)
Total Governmental Activities	<u>\$ 17,402,337</u>	<u>\$ 10,018</u>	<u>\$ 6,576,358</u>	<u>(10,815,961)</u>
General Revenues				
Taxes				
Property taxes levied for				
General purposes				1,023,621
Debt service				52,714
Sales taxes levied for				
General purposes				1,469,862
Salaries and related benefits				2,054,846
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				8,213,000
State revenue sharing				44,605
Rentals and leases				107,282
Investment earnings				23,661
Gain (loss) on sale of capital assets				1,260
Miscellaneous				774,778
Local revenue transfers - other LEAs				(405,562)
Total General Revenues				<u>13,360,067</u>
Change in Net Position				2,544,106
Net Position, Beginning of Year, as Restated				<u>(27,004,955)</u>
Net Position, End of Year				<u>\$ (24,460,849)</u>

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

Fund Financial Statements

Catahoula Parish School Board
Harrisonburg, Louisiana
Balance Sheet
Governmental Funds
June 30, 2022

Exhibit C

	General Fund	Title I Fund	Economic Stabilization Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 4,844,151	\$ -	\$ -	\$ 923,218	\$ 5,767,369
Receivables	368,792	-	-	339	369,131
Due from other funds	1,411,979	-	-	-	1,411,979
Due from other governmental agencies	20,775	396,416	653,917	359,284	1,430,392
Inventory	-	-	-	56,729	56,729
Restricted certificates of deposit	-	-	-	319,000	319,000
Total Assets	\$ 6,645,697	\$ 396,416	\$ 653,917	\$ 1,658,570	\$ 9,354,600
Liabilities and Fund Balances					
Liabilities					
Accounts payable and accrued expenses	\$ 43,329	\$ -	\$ -	\$ -	\$ 43,329
Due to other funds	-	380,449	645,297	386,233	1,411,979
Due to other governmental agencies	26,178	2,972	-	-	29,150
Salaries and employee benefits payable	1,549,107	12,995	8,620	84,806	1,655,528
Total Liabilities	1,618,614	396,416	653,917	471,039	3,139,986
Fund Balances					
Nonspendable					
Inventories	-	-	-	56,729	56,729
Restricted					
Salaries and related benefits	213,708	-	-	-	213,708
Grants	-	-	-	29,999	29,999
Debt service	-	-	-	433,700	433,700
Student activities	-	-	-	347,925	347,925
Other special purposes	-	-	-	153,064	153,064
Committed	-	-	-	166,114	166,114
Assigned					
Workers' compensation	250,039	-	-	-	250,039
Casualty reserve	100,000	-	-	-	100,000
Medicaid	229,250	-	-	-	229,250
Unassigned	4,234,086	-	-	-	4,234,086
Total Fund Balances	5,027,083	-	-	1,187,531	6,214,614
Total Liabilities and Fund Balances	\$ 6,645,697	\$ 396,416	\$ 653,917	\$ 1,658,570	\$ 9,354,600

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

**Catahoula Parish School Board
Harrisonburg, Louisiana
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2022**

Exhibit D

Total Fund Balances - Governmental Funds

\$ 6,214,614

Amounts reported for governmental activities in the Statement of Net Position are different because:

Lease receivables do not relate to current financial resources and is not reported in the governmental funds.	258,256
---	---------

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the fund financial statements.

Cost of capital assets	32,410,361	
Less - accumulated depreciation	(27,411,196)	4,999,165

Deferred outflows of resources are not current assets or financial resources and, therefore, are not reported in the fund financial statements.

Deferred outflow of pension resources	3,565,967	
Deferred outflow of other post-employment benefit resources	4,403,309	7,969,276

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund financial statements.

Compensated absences payable	(449,774)	
Bonds payable	(900,000)	
Net pension liability	(6,804,733)	
Post-employment benefit obligation	(25,710,259)	(33,864,766)

Deferred inflows are not due and payable in the current year and, therefore, are not reported in the fund financial statements.

Deferred inflow of pension resources	(5,670,550)	
Deferred inflow of other post-employment benefit resources	(4,108,588)	
Deferred inflow of lease resources	(258,256)	(10,037,394)

Net Position

\$ (24,460,849)

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

Catahoula Parish School Board
Harrisonburg, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

Exhibit E

	General Fund	Title I Fund	Economic Stabilization Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Local sources					
Taxes					
Property	\$ 493,087	\$ -	\$ -	\$ 583,248	\$ 1,076,335
Sales and use	3,524,708	-	-	-	3,524,708
Rentals and leases	107,282	-	-	-	107,282
Tuition	2,111	-	-	-	2,111
Food services	-	-	-	7,907	7,907
Investment earnings	17,146	-	-	6,516	23,661
Other revenue from local sources	93,336	-	-	694,861	788,199
State sources					
Minimum Foundation Program	8,188,000	-	-	25,000	8,213,000
State revenue sharing	20,556	-	-	24,049	44,605
Other revenue from state sources	18,799	-	-	189,276	208,075
Federal sources	112,500	977,417	3,735,672	1,405,692	6,231,281
Total Revenues	12,577,527	977,417	3,735,672	2,936,548	20,227,164
Expenditures					
Current					
Instruction					
Regular programs	4,824,724	100,484	1,130,302	101,909	6,157,419
Special education programs	1,268,834	-	16,753	36,724	1,322,311
Vocational programs	899,869	10,000	60,677	-	970,546
Other instructional programs	174,143	-	164,949	475,138	814,230
Special programs	2,945	457,861	-	251,164	711,970
Support services					
Student services	685,881	4,447	18,228	238,671	947,227
Instructional staff support	224,076	267,063	395,675	238,072	1,124,886
General administration	461,843	-	-	22,081	483,924
School administration	511,120	-	-	29,237	540,357
Business services	421,314	-	-	6,511	427,825
Plant services	1,089,109	23,303	657,563	547,169	2,317,144
Student transportation services	1,113,916	4,100	38,675	20,363	1,177,054
Central services	13,067	-	-	17,089	30,156
Food services	277,869	-	-	884,509	1,162,378
Community service programs	-	-	-	6,344	6,344
Debt service					
Principal	-	-	-	40,000	40,000
Interest and other charges	-	-	-	14,050	14,050
Capital outlay	-	-	448,065	113,916	561,981
Total Expenditures	11,968,710	867,258	2,930,887	3,042,947	18,809,802
Excess (Deficiency) of Revenues over Expenditures	608,817	110,159	804,785	(106,399)	1,417,362
Other Financing Sources (Uses)					
Transfers in	866,380	-	-	233,347	1,099,727
Transfers out	(112,500)	(110,159)	(804,785)	(72,283)	(1,099,727)
Sale of property	760	-	-	500	1,260
Local revenue transfers - other LEAs	(405,562)	-	-	-	(405,562)
Total Other Financing Sources (Uses)	349,078	(110,159)	(804,785)	161,564	(404,302)
Net Change in Fund Balances	957,895	-	-	55,165	1,013,060
Fund Balances, Beginning of Year, as Restated	4,069,188	-	-	1,132,366	5,201,554
Fund Balances, End of Year	<u>\$ 5,027,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,187,531</u>	<u>\$ 6,214,614</u>

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

**Catahoula Parish School Board
Harrisonburg, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022**

Exhibit F

Net Change in Fund Balances - Governmental Funds **\$ 1,013,060**

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 the estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period.

Capital outlays	561,981	
Less - depreciation expense	<u>(211,473)</u>	350,508

Deferred outflows and inflows of resources related to pensions and other post-employment benefits are applicable to future periods and, therefore, are not reported in the governmental funds.

Change in pensions	(3,066,948)	
Change in other post-employment benefits	<u>(1,399,179)</u>	(4,466,127)

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal retirement		40,000
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In the Statement of Activities, certain operating expenses are measured by the amounts consumed during the year. In the governmental funds, however, these expenditures are measured by the amount of financial resources used (essentially, the amounts actually paid).

(Increase) decrease in compensated absences accrued		(118,994)
(Increase) decrease in net pension liability accrued		5,722,956
(Increase) decrease in post-employment benefit obligation		<u>2,703</u>

Change in Net Position of Governmental Activities		<u>\$ 2,544,106</u>
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The accompanying notes are an integral part of the financial statements.

Notes to Basic Financial Statements

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

1. Reporting Entity and Significant Accounting Policies

Reporting Entity

The Catahoula Parish School Board (School Board) was created by Louisiana Revised Statute (LA-R.S.) 17:51 to provide public education for the children in Catahoula Parish. The School Board is authorized by LA-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 nine members who are elected from nine districts for terms of four years.

The School Board operates five schools within the parish with a total enrollment of approximately 1,062 at the October 1, 2021, count date. In conjunction with the regular education 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 financial statements of the 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. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

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 also has no component units defined as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. For financial reporting purposes, the School Board's financial statements include all funds, schools, agencies, and committees for which the School Board is financially accountable. The School Board is not aware of any other entities that should be included within the financial statements.

Basis of Presentation

The School Board's Basic Financial Statements consist of Government-Wide Financial Statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Government-Wide Financial Statements – The Government-Wide Financial Statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the School Board as a whole.

Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and School Board general revenues, from business-type activities (if any), generally financed in whole or in part with fees charged to external customers. The activity of internal service funds (if any) is eliminated to avoid duplicating revenues and expenses. The School Board does not have any business-type activities or internal service funds.

The Statement of Net Position presents the financial position of the governmental activities at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School Board's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The School Board charges indirect expenses to functions in the Statement of Activities. The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the School Board's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions, if any, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include property taxes, sales taxes, Minimum Foundation Program receipts, state revenue sharing, interest, and other unrestricted revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the School Board.

Fiduciary activities are not included at the government-wide reporting level. Fiduciary funds are reported only in the fiduciary funds Statement of Assets and Liabilities at the fund financial statement level.

Fund Financial Statements – The accounting system is organized on the basis of funds. The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues, and expenditures. 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.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Funds of the School Board are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate "fund types". The School Board uses the following fund types: Governmental funds are used to account for all or most of the School Board's general activities, including the collection and disbursement of specifically or legally restricted monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), the servicing of general long-term debt (debt service funds), and the recording of activity related to endowment funds (permanent funds). The fund financial statements report financial information by major funds and nonmajor funds.

The following governmental funds are considered major funds:

- General Fund – The general operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.
- Title I Fund – This fund accounts for the proceeds of the Title I grant designed 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.
- Economic Stabilization Fund – This fund accounts for the proceeds of the Economic Stabilization grant designed to address the impact that the Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation.

All other funds are considered nonmajor funds.

The more significant of the School Board's accounting policies are described below.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

The Government-Wide Financial Statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The primary effect of internal activity has been eliminated from the Government-Wide Financial Statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (collected within ninety days after year-end, except for property taxes where sixty days is used). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debts are recorded only when payment is due. Budgets are prepared and adopted using the same basis of accounting. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Property taxes are recorded in the year the taxes are due and payable. Property taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Property taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the current fiscal year.

Federal and state entitlements (which include state equalization and state revenue sharing) are recorded when available and measurable. State equalization entitlement funds are recognized when the School Board is entitled to them. State revenue sharing, which is based on population and homesteads in the parish, is recorded as revenue in the year received which coincides with the recognition of the related property taxes discussed above. Federal and state grants are recorded when the School Board is entitled to the funds, usually after reimbursable expenditures have been incurred.

Sales taxes are recognized in the period when the underlying sales or use transaction occurred.

Federal commodities are recognized as revenues when received.

Revenue from services provided to other local governments is recorded as other revenues from local sources when the School Board is entitled to the funds.

Interest earnings on time deposits are recognized as revenue when the time deposits have matured, and the interest is available.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Substantially all other revenues are recognized when received by the School Board.

Based on the above criteria, sales taxes, federal and state grants, and certain revenues from local sources have been treated as susceptible to accrual.

Expenditures

Salaries are recorded as expenditures when earned by employees. The salaries for teachers and most other school-level employees are earned over a nine-month period but may be paid over a twelve-month period.

Purchases of various operating supplies, etc. are recorded as expenditures in the accounting period in which they are purchased.

Food costs are recognized as expenditures in the accounting period in which the food is consumed.

Commitments under construction contracts are recognized when earned by the contractor.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, proceeds from indebtedness, the sale of fixed assets, and proceeds from insurance are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Budget and Budgetary Accounting

Preliminary budgets for the ensuing year are prepared by the business manager and made available for public inspection and comments from the taxpayers at the School Board office during August. At a board meeting in September, a public hearing is held and the proposed budgets are legally adopted by the School Board. The budgets, which include proposed expenditures and the means of financing them, are published in the official journal at least 15 days prior to the public hearings.

The School Board adopted budgets for the General Fund and all special revenue funds. Budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year-end and must be reappropriated during the following year to be expended. Formal budget integration (within the accounting records) is employed as a management control device. The superintendent of schools is authorized to transfer amounts between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by five percent or more and/or actual expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budget amounts included in the accompanying required supplementary information include the original adopted budget and all subsequent amendments.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits, if any, with an original maturity of three months or less from the date of acquisition.

Certificates of Deposit

The bank certificates of deposit have a maturity of more than three months when purchased. These certificates of deposit are stated at cost which approximates fair value. All certificates of deposit at year-end were restricted due to bond sinking fund requirements.

Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all accounts at year-end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

Inventory

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used, using a first-in, first-out basis. Inventory of the School Lunch 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. Commodities are recorded as revenues, based on value information from the USDA, when received. Inventory on hand at year-end is reported as nonspendable fund balance to indicate that it is not a part of expendable available financial resources.

Capital Assets

In the Government-Wide Financial Statements, capital assets are capitalized and depreciated on a straight-line method over their estimated useful lives. The School Board has adopted a capitalization threshold of \$5,000 for reporting purposes. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. A breakdown of the asset valuation between actual and estimated cost is not available. Donated capital assets, if any, are valued at their estimated fair market value on the date received. Useful lives are approximately 40 years for buildings and 3 to 20 years for land and building improvements, furniture, and equipment.

Expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives or improve their efficiency or capacity are capitalized, whereas expenditures for repairs and maintenance are expensed. Interest costs on debt used to finance the construction of assets are not capitalized.

In the fund financial statements, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

No provision is made for depreciation on capital assets in the fund financial statements since the full cost is expensed at the time of purchase or construction.

Interfund Transactions

In the governmental funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Interfund balances are eliminated in the Government-Wide Financial Statements.

Compensated Absences

Vested or accumulated sick or vacation leave that is expected to be liquidated with expendable available financial resources is recognized as a governmental fund liability and expenditure of the governmental functions/programs that will pay it. This includes payments that come due before the end of the reporting period upon the occurrence of employee resignation, retirement, or death that will be paid during the first month of the following year. Compensated absences are reported in the governmental funds only if they have matured. The full liability and related costs are reported in the Government-Wide Financial Statements.

All twelve-month employees earn from 10 to 18 days of vacation leave each year, depending upon length of service with the School Board. Vacation leave can be accumulated up to a maximum of twenty-four days for employees with up to 10 years of experience and thirty-six days for those employees with more than 10 years of experience. Upon separation from service, all unused vacation leave is paid to the employee at their daily rate of pay.

All School Board employees earn from 10 to 18 days of sick leave each year, depending upon length of service with the School Board. All sick leave can be accumulated without limitation. Upon retirement or death, employees or their heirs are paid for up to 25 days of accumulated sick leave at the employee's current rate of pay. The estimated liability for vested sick leave benefits is considered long-term and is not recorded in the fund financial statements. The estimated liability includes required salary-related payments. Under the Louisiana Teachers' Retirement System, all accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers' Retirement System and for sick leave earned under the Louisiana School Employees' Retirement System, all accumulated sick leave, excluding the 25 days paid to the employee, is used in the retirement benefit computation as earned service.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Sabbatical leave may be granted for professional and cultural improvement and for medical reasons. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after 3 years of continuous service or 2 semesters of sabbatical leave after 6 or more years of continuous service. Professional and cultural improvement sabbaticals are restricted in nature as a condition of the leave and, therefore, are considered only a change in the types of services being rendered and not subject to accrual. Medical sabbaticals require the use of virtually all sick leave before a sabbatical can be taken and are not material. Sabbatical leave benefits are recorded as expenditures in the period paid.

Long-Term Liabilities

Long-term liabilities expected to be financed from governmental funds are not reported in the Balance Sheet for the fund financial statements. All liabilities, including long-term debt, are included on the face of the Statement of Net Position in the government-wide financial statements. Interest expense on long-term debt is recognized in the Government-Wide Financial Statements as the interest accrues, regardless of when it is due.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the School Board has deferred outflows of pension resources and other post-employment benefits resources that qualify for reporting in this category.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as inflow of resources (revenues) until that time. The School Board has deferred inflows of pension resources, other post-employment benefit resources, and lease resources that qualify for reporting in this category. These amounts will be recognized as an inflow of resources in the period that the amounts become available.

Net Position

In the Government-Wide Financial Statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, or improvement of these assets.

Restricted net position – Consists of net position with constraints placed on its use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net positions that do not meet the definition of "net investment in capital assets" or "restricted."

In cases where restricted and unrestricted monies are received by the School Board for the same function or purpose, the restricted monies are used first.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Fund Balances

Nonspendable fund balances include amounts that cannot be spent because they are either not in a spendable form or legally or contractually required to be maintained intact. Restricted fund balances represent those portions of fund balance that are restricted to specific purposes by external parties, such as creditors, grantors, contributors, or laws or regulations of other governments or by law through constitutional provisions or enabling legislation. Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is the nine-member school board. Formal action of the School Board to establish or rescind committed funds is executed by adopting a resolution in a public meeting. Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balances. In cases where restricted and unrestricted monies are received by the School Board for the same function or purpose, the restricted monies are used first. Unrestricted monies are then spent in the following order: committed, assigned, and unassigned.

Sales Tax

On November 18, 1967, voters of Catahoula Parish passed a one percent sales tax for an indefinite period of time. Seventy-five percent (75%) of the proceeds is dedicated to salaries of school teachers and other School Board employees, while the remaining twenty-five percent (25%) of the proceeds is dedicated to the operation of the parish school system.

On April 7, 1987, voters of the parish passed a one percent tax for an indefinite period of time. The tax is dedicated to the operation of the parish school system.

On November 4, 2008, voters of the parish passed an additional one percent tax for an indefinite period of time. The tax is dedicated to salaries of school teachers and other School Board employees.

All sales taxes are collected by the Concordia Parish School Board and deposited in a bank account for the Catahoula Parish School Board. For its collection services, the Concordia Parish School Board receives one and a quarter percent (1.25%) of collected sales taxes. The sales taxes are recorded as revenue in the general fund.

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 at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

GASB Statement No. 87 Implementation

Effective for the year ending June 30, 2022, the Catahoula Parish School Board implemented GASB Statement No. 87, *Leases*. Implementation of this standard increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-of-use lease asset, and a lessor will be required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities.

2. Cash and Cash Equivalents and Certificates of Deposit

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 or any other state of the United States, or under the laws of the United States. At June 30, 2022, the School Board had cash and cash equivalents and certificates of deposit as follows:

Cash and cash equivalents – Governmental Funds	\$ 5,767,369
Restricted certificates of deposit – Governmental Funds	\$ 319,000

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 market 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: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. As of June 30, 2022, the School Board's bank balance of \$6,693,171 was covered by depository insurance or collateral held by fiscal agent banks for Catahoula Parish School Board.

3. Receivables and Due from Other Governmental Agencies

Taxes receivable	\$ 361,603
Other receivables	7,528
Subtotal	369,131
Due from other governmental agencies	1,430,392
	<u>\$ 1,799,523</u>

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Description	Sales Taxes	Federal and State Grants	Other	Total
General Fund	\$ 361,603	\$ 20,775	\$ 7,189	\$ 389,567
Title I Fund	-	396,416	-	396,416
Economic Stabilization Fund	-	653,917	-	653,917
Other Governmental Funds	-	359,284	339	359,623
	\$ 361,603	\$ 1,430,392	\$ 7,528	\$ 1,799,523

4. Interfund Assets, Interfund Liabilities, and Operating Transfers

Due from/to other funds:

Individual balances due from/to other funds at June 30, 2022, are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Title I	\$ 380,449
General Fund	Economic Stabilization Fund	645,297
General Fund	Other Governmental Funds	386,233
		\$ 1,411,979

Balances at June 30, 2022, resulted from the routine lag between the dates that interfund goods or services are provided and reimbursable expenditures occur. Transactions are recorded in the accounting system, and payments between funds are made to satisfy the balances.

Transfer In	Transfer Out	Amount
General Fund	Title I	\$ 110,159
General Fund	Economic Stabilization Fund	689,565
General Fund	Other Governmental Funds	66,656
Other Governmental Funds	General Fund	112,500
Other Governmental Funds	Economic Stabilization Fund	115,220
Other Governmental Funds	Other Governmental Funds	5,627
		\$ 1,099,727

Transfers are used to (1) move revenues from the collecting fund required by statute, voter-approved resolution, or budget to the fund required by statute or budget to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Catahoula Parish School Board
Harrisonburg, Louisiana
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Notes to Basic Financial Statements

5. Capital Assets

Capital assets activity for the year ended June 30, 2022, is as follows:

	Balance at July 1, 2021	Increases	Decreases	Balance at June 30, 2022
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 2,365,000	\$ -	\$ -	\$ 2,365,000
Total Capital Assets Not Being Depreciated	2,365,000	-	-	2,365,000
Other Capital Assets				
Land improvements	295,700	71,819	-	367,519
Buildings and improvements	28,510,478	-	-	28,510,478
Furniture and equipment	752,202	490,162	75,000	1,167,364
Total Other Capital Assets	29,558,380	561,981	75,000	30,045,361
Less				
Accumulated depreciation				
Land improvements	271,595	2,659	-	274,254
Buildings and improvements	26,317,587	154,149	-	26,471,736
Furniture and equipment	685,541	54,665	75,000	665,206
Total Accumulated Depreciation	27,274,723	211,473	75,000	27,411,196
Other Capital Assets, Net	2,283,657	350,508	-	2,634,165
Governmental Activities Capital Assets, Net	\$ 4,648,657	\$ 350,508	\$ -	\$ 4,999,165

Depreciation expense was charged to functions as follows:

Governmental Activities	
Instruction	
Regular programs	\$ 65,794
Special education programs	17,012
Vocational programs	10,610
Other instructional programs	5,193
Special programs	4,691
Adult and continuing education programs	-
Support services	
Student services	8,405
Instructional staff support	13,639
General administration	3,788
School administration	6,896
Business services	4,716
Plant services	9,140
Student transportation services	48,345
Food services	13,244
Total	\$ 211,473

**Catahoula Parish School Board
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Notes to Basic Financial Statements

6. Bonds Payable and Compensated Absences

General Obligation Debts

General obligation liabilities are direct obligations and pledge full faith and credit of the School Board.

During 2010, the School Board issued general obligation school bonds, Series 2010, in the amount of \$750,000 due in annual installments of \$10,000 to \$60,000 on March 1 of each year with an interest rate from 5.50% to 3.85% and maturing March 1, 2030. On March 1, 2020, the remaining balance of \$480,000 was refinanced for a lower interest rate of 2.50% with all other terms remaining the same. Debt retirement payments are made from the School District No. 25 Debt Service Fund.

During 2011, the School Board issued revenue bonds (Taxable QSCB), Series 2011, in the amount of \$500,000 that require the School Board to make mandatory sinking fund deposits annually in the amount of \$29,000. The sinking fund deposits will result in a balloon principal payment of \$500,000 made payable upon the final maturity date of March 1, 2028. Interest payments are due on March 1 and September 1 of each year beginning September 1, 2011, with an interest rate of 0.61%. The revenue bonds are payable from the pledge and dedication of the funds to be derived from the levy and collection of the constitutional property tax millage currently set at 4.16 mills annually. The bonds were issued to provide funds for the purpose of construction, rehabilitation, and/or repair of public school facilities within the district.

In addition, the School Board's obligation relative to the liability for compensated absences is also reported as a general obligation debt.

A summary of changes in the general long-term obligations is as follows:

	Bonds Payable	Compensated Absences	Total
Balance at July 1, 2021	\$ 940,000	\$ 330,780	\$ 1,270,780
Additions	-	126,392	126,392
Deductions	(40,000)	(7,398)	(47,398)
Balance at June 30, 2022	\$ 900,000	\$ 449,774	\$ 1,349,774

	Balance 06/30/22	Due within one year	Due in more than one year
Bonds payable	\$ 900,000	\$ 40,000	\$ 860,000
Compensated absences	449,774	449,774	-
Total	\$ 1,349,774	\$ 489,774	\$ 860,000

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Notes to Basic Financial Statements

The annual requirement to amortize outstanding bonds payable is as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2023	\$ 40,000	\$ 13,050	\$ 53,050
2024	45,000	12,050	57,050
2025	45,000	10,925	55,925
2026	50,000	9,800	59,800
2027	50,000	8,550	58,550
2028-2030	670,000	11,675	681,675
Total	\$ 900,000	\$ 66,050	\$ 966,050

7. Property Taxes

The following is a summary of authorized and levied property tax millage for the year ended June 30, 2022:

	<u>Authorized</u>	<u>Levied</u>	<u>Expiration Date</u>
Parish-wide taxes -			
Constitutional	4.16	4.16	Indefinite
Special operational	5.85	5.85	2024
Special leeway	5.85	5.85	2023
School building repair and equipment	1.57	1.57	2026
District taxes -			
Maintenance:			
School District No. 1	5.11	5.11	2030
School District No. 2	5.03	5.03	2030
School District No. 5	4.01	4.01	2027
School District No. 25	5.56	5.56	2021
Bond Sinking:			
School District No. 25	12.85	12.85	2027

The authorized millages are based on the reassessment of tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974. The Sheriff of Catahoula Parish, as provided by state law, is the official tax collector of general property taxes levied by the Catahoula Parish School Board. Historically, virtually all property taxes are collected since they are secured by property. Therefore, no allowance for uncollected taxes has been established.

For the fiscal year ending June 30, 2022, the property tax calendar was approximately as follows:

Levy date	July 1, 2021
Lien date	July 1, 2021
Due date	December 31, 2021
Delinquent date	January 1, 2022

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Notes to Basic Financial Statements

8. Post-employment Health Care and Life Insurance Benefits

The Catahoula Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. The Catahoula Parish School Board's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Post-employment Benefits Other Than Pensions – Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria – Defined Benefit*.

Plan Description

The School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB).

The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be a single-employer defined benefit OPEB plan (within the meaning of GASB 74/75) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement. Most of the employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 5 years of service. In addition, employees hired on and after January 1, 2011, are not eligible to retire before age 60 without actuarial reduction in benefits.

Life insurance coverage under the OGB program is available to retirees by election and the OGB blended rate (active and retired) is used. The employer pays 50% of the "cost" of the retiree life insurance. Insurance coverage amounts are reduced by 25% at age 65 and by an additional 25% at age 70 according to the OGB plan provisions.

As of the measurement date, June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	165
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>121</u>
	286

Total OPEB Liability

The School Board's total OPEB liability of \$25,710,259 was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

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The total OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.16% annually (Beginning of Year to Determine ADC) 3.54% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for ten years, 4.5% thereafter
Mortality	SOA RP-2000 Table

The discount rate was based on the Bond Buyer's 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of the ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2022.

Changes in Total OPEB Liability

Balance at June 30, 2021	\$ 25,712,962
Changes for the year:	
Service cost	786,517
Interest	541,255
Differences between expected and actual experience	5,270,990
Changes of assumptions or other inputs	(5,291,740)
Benefit payments and net transfers	(1,309,725)
Net changes	(2,703)
Balance at June 30, 2022	\$ 25,710,259

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the School Board, as well as what the School Board's liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower (4.50%) or one percentage-point higher (6.50%) than the current rate:

	1.0% Decrease (4.50%)	Current Discount Rate (5.50%)	1.0% Increase (6.50%)
Total OPEB liability	\$ 22,092,129	\$ 25,710,259	\$ 30,440,315

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the School Board, as well as what the School Board's liability would be if it were calculated using a discount rate that is one percentage-point lower (2.54%) or one percentage-point higher (4.54%) than the current rate:

	1.0% Decrease (2.54%)	Current Discount Rate (3.54%)	1.0% Increase (4.54%)
Total OPEB liability	\$ 31,072,218	\$ 25,710,259	\$ 21,571,517

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Notes to Basic Financial Statements

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

For the year ended June 30, 2022, the School Board recognized OPEB expense of \$2,706,201. At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,833,186	\$ (283,796)
Changes of assumptions	570,123	(3,824,792)
Total	\$ 4,403,309	\$ (4,108,588)

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

<u>Year Ending June 30,</u>	
2023	\$ 403,810
2024	(58,004)
2025	(51,087)
2026	-
2027	-
Thereafter	-

9. Leases

Lessor

On October 1, 2006, the School Board, as lessor, entered into an agreement with the U.S. Department of Agriculture, the lessee, to lease 560 acres of land located in Catahoula Parish under the Conservation Reserve Program. The term of the lease is for fifteen years commencing on October 1, 2006 and ending on September 30, 2021. The lease calls for an annual lease payment of \$30,027. The School Board collected \$30,027 from the lessee for the year ended June 30, 2022. A portion of these proceeds in the amount of \$2,603 are to be paid to Avoyelles Parish School Board as required by the State of Louisiana. This lease terminated during the period and a new lease agreement has not been obtained.

On January 5, 2010, the School Board, as lessor, entered into an agreement with Mike McGee, the lessee, to lease approximately 200 acres of land located in Catahoula Parish. The term of the original lease was for ten years commencing on December 31, 2009, and ending on December 31, 2019, or when harvesting of that year's crop was complete, if earlier. The lease was extended for an additional five years with the same terms. The lease calls for an annual lease payment of \$17,000 cash or 21.6% of cotton crops or 30% of grain crops, whichever is greater in any given year. The School Board collected \$17,000 from the lessee for the year ended June 30, 2022. A portion of these proceeds in the amount of \$12,130 are to be paid to Avoyelles Parish School Board as required by the State of Louisiana.

**Catahoula Parish School Board
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Notes to Basic Financial Statements

On May 1, 2012, the School Board, as lessor, entered into an agreement with M. J. Farms, Ltd. d/b/a Louisiana Delta Plantation, the lessee, to lease 605 acres of land located in Catahoula Parish for hunting purposes. The term of the lease is for ten years commencing on May 1, 2012 and ending on April 30, 2022. The lease calls for an annual lease payment of \$52,755. The School Board collected \$52,755 from the lessee for the year ended June 30, 2022.

On June 16, 2022, the School Board, as lessor, entered into an agreement with Shad Lake Hunting Club, Inc., the lessee, to lease 605 acres of land located in Catahoula Parish for hunting purposes. The term of the lease is for ten years commencing on May 1, 2022 and ending on April 30, 2032. The lease calls for an annual lease payment of \$25,100. The School Board collected \$25,100 from the lessee for the year ended June 30, 2022.

On July 24, 2013, the School Board, as lessor, entered into an agreement with Catahoula Parish Hospital District #2, the lessee, to lease a tract of land located by Jonesville Elementary School for a school-based health center. The lease calls for an initial term of seven years commencing on August 1, 2013 to and including June 30, 2020. The lease was renewed on a month-to-month basis commencing on July 1, 2020. The lease calls for monthly rental payments of \$200 due on the first of every month. The School Board collected \$2,400 from the lessee for the year ended June 30, 2022.

On December 31, 2013, the School Board, as lessor, entered into an agreement with M. J. Farms, Ltd. d/b/a Louisiana Delta Plantation, the lessee, to lease 640 acres of land located in Catahoula Parish. The term of the lease is for ten years commencing on December 31, 2013, and ending on December 31, 2023, or when harvesting of that year's crop is complete, if earlier. The lease calls for an annual lease payment of \$42,600 cash or 20.5% of cotton crops or 20.5% of grain crops, whichever is greater in any given year. The School Board collected \$42,600 from the lessee for the year ended June 30, 2022.

On June 1, 2018, the School Board, as lessor, entered into an agreement with Randall Ewing, the lessee, to lease approximately 640 acres of land located in Catahoula Parish for hunting purposes. The term of the lease is for five years commencing on June 1, 2018 and ending in June 2023. The lease calls for an annual lease payment of \$18,001. The School Board collected \$18,001 from the lessee for the year ended June 30, 2022.

The future lease payments for the above referenced leases are as follows:

<u>Fiscal Year Ending</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2023	\$ 80,176	\$ 10,396	\$ 90,572
2024	22,779	7,191	29,970
2025	23,724	6,247	29,971
2026	19,837	5,263	25,100
2027	20,630	4,470	25,100
2028-2031	91,110	9,290	100,400
Total	258,256	42,857	301,113

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Notes to Basic Financial Statements

10. Net Position and Fund Balances

Nonspendable Fund Balances

The School Board has recorded a nonspendable fund balance of \$56,729 for unused food commodities in the fund financial statements. This amount is recorded as unrestricted net position in the Government-Wide Financial Statements.

Restricted Fund Balances

In accordance with the provisions of the sales tax propositions passed by the voters on November 18, 1967, April 7, 1987, and November 4, 2008, the School Board has a \$213,708 restriction on total net position and related fund balances for salaries and related benefits of all School Board employees from enabling legislation. This restriction is in the sales tax funds (included in the General Fund) and is a result of the wording of the sales tax resolution approved by voters.

External parties have restricted many special revenue funds totaling \$29,999 for grants, \$347,925 for student activities, and \$153,064 for other special purposes. These are recorded as restricted net position and restricted fund balances.

The School Board reports restricted fund balance and net position in the amount of \$433,700 for debt service.

Committed Fund Balances

The School Board has formally designated fund balances totaling \$166,114 for the governmental funds other than those that are nonspendable and restricted by recording them as committed fund balances. This amount is shown as unrestricted net position, as follows:

School Lunch Fund	\$ 165,114
Tuition Fund	<u>1,000</u>
	\$ 166,114

Assigned Fund Balances

Funds designated for workers' compensation, casualty reserves, and Medicaid, are shown as assigned fund balances for the governmental funds and unrestricted net position on the Government-Wide Financial Statements.

11. Retirement Systems

The School Board contributes to the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, and the Louisiana State Employees' Retirement System. The School Board recognizes its proportionate share of the net pension liability in its Government-Wide Financial Statements. The following recap shows the total deferred outflows and inflows of pension resources and net pension liability, as reported in the Statement of Net Position, for each of these plans, which is explained further in this note disclosure.

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	Deferred Outflows of Pension Resources	Deferred Inflows of Pension Resources	Net Pension Liability
Teachers' Retirement System of Louisiana (TRSL)	\$ 3,095,896	\$ 5,125,276	\$ 5,308,448
Louisiana School Employees' Retirement System (LSERS)	423,117	479,338	1,213,546
Louisiana State Employees' Retirement System (LASERS)	46,954	65,936	282,739
Total	<u>\$ 3,565,967</u>	<u>\$ 5,670,550</u>	<u>\$ 6,804,733</u>

A. Teachers' Retirement System of Louisiana (TRSL)

General Information about the Plans

Plan Description

Employees of Catahoula Parish School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Teachers' Retirement System of Louisiana (TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that is available for download at www.trsl.org.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information.

1. Retirement

Normal Retirement

- a. **Regular Plan** – Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% accrual rate after attaining age 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015 may retire with a 2.5% benefit factor after attaining age 60 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between July 1, 1999 and December 31, 2010, are eligible for a 2.5% benefit factor 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 2.0% 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% benefit factor 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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- b. Plan A** - Members may retire with a 3.0% benefit factor 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.
- c. Plan B** - Members may retire with a 2.0% benefit factor at age 55 with 30 years of service, or age 60 (first employed before July 1, 2015) with 5 years of service. Members first eligible to join and hired on or after July 1, 2015 may retire with a 2.0% benefit factor at age 62 with 5 years of service or an actuarially reduced benefit with 20 years of service at any age.

Benefit Formula – 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 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.

Payment Options – A retiring member is entitled to receive the maximum benefit payable until the member's death. However, in lieu of the maximum monthly benefit, the member may elect to receive a reduced monthly benefit (based on a named beneficiary's age). In addition, all options (except Option 1) are allowed 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 monthly 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.

Optional Retirement Plan (ORP)

The Optional Retirement Plan (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.

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2. 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 3 years. A member has a 60-day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three-year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

Upon termination of DROP participation, the member can continue employment and earn additional benefit 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 as an additional annuity based upon the account balance.

3. 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 (SMDDB) 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.

4. 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 21, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving 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% benefit factor for all creditable service.

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5. 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.

Contributions

The employer contribution rate is established annually under Louisiana Revised Statute 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), 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 rates in effect during the fiscal year ended June 30, 2021, are as follows:

Plan	Plan Type	Employee Contribution Rate	Employer Contribution Rate
K-12 Regular Plan	Sub	8.0%	25.2%
Higher Education Regular Plan	Sub	8.0%	24.5%
Plan A	Sub	9.1%	25.2%
Plan B	Sub	5.0%	25.2%
ORP	ORP	8.0%	27.7%

The School Board's contractually required composite contribution rate for the year ended June 30, 2022 was 25.2% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$1,641,954 for the year ended June 30, 2022.

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

At June 30, 2022, the Catahoula Parish School Board reported a liability of \$5,308,448 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021, 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 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. At June 30, 2021, the School Board's proportion was 0.09943%, which was an increase of 0.00755% from its proportion measured as of June 30, 2020.

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For the year ended June 30, 2022, the School Board recognized pension benefit of \$22,356 less employer's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions, \$746,287.

At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 27,113	\$ 80,267
Changes of assumptions	516,737	-
Net difference between projected and actual earnings on pension plan investments	-	3,583,355
Changes in proportion and differences between employer contributions and proportionate share of contributions	910,092	1,461,654
Employer contributions subsequent to the measurement date	<u>1,641,954</u>	<u>-</u>
Total	\$ 3,095,896	\$ 5,125,276

The \$1,641,954 reported as deferred outflows of resources related to pensions resulting from the School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2023. 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>	
2023	\$ (1,208,046)
2024	(496,715)
2025	(717,262)
2026	(849,311)

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Approach	Closed
Actuarial Assumptions:	
Expected Remaining Service Lives	5 years
Investment Rate of Return	7.40% net of investment expenses
Inflation Rate	2.30% per annum
Mortality	
Active Members	Mortality rates based on the RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.
Non-disabled Retiree/Inactive Members	Mortality rates based on the RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.
Disability Retiree	Mortality rates based on the RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.
	These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (July 1, 2012 – June 30, 2017) experience study of the System's members.
Salary Increases	3.10% - 4.60%; varies depending on duration of service
Cost of Living Adjustments	None

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 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 of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 7.87% for 2021. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

**Catahoula Parish School Board
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Notes to Basic Financial Statements

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	27.0%	4.60%
International Equity	19.0%	5.54%
Domestic Fixed Income	13.0%	0.69%
International Fixed Income	5.5%	1.50%
Private Equity	25.5%	8.62%
Other Private Assets	10.0%	4.45%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 7.40%. 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 contributions from participating employers will be made at the actuarially determined rates approved by Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the employer's proportionate share of the Net Pension Liability using the discount rate of 7.40%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.40%) or one percentage-point higher (8.40%) than the current rate:

	<u>1.0% Decrease (6.40%)</u>	<u>Current Discount Rate (7.40%)</u>	<u>1.0% Increase (8.40%)</u>
Employer's proportionate share of the net pension liability	\$ 8,784,942	\$ 5,308,448	\$ 2,384,350

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, 2022, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$166,947 for its participation in TRSL.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2021 Comprehensive Annual Financial Report at www.trsl.org.

B. Louisiana School Employees' Retirement System (LSERS)

General Information about the Pension Plan

Plan Description

Employees of Rapides Parish School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the State of Louisiana School Employees' Retirement System (LSERS). Section 11:1001 of the Louisiana Revised Statutes grants to LSERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LSERS issues a publicly available financial report that is available for download at www.lsers.net.

Benefits Provided

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.

1. Retirement

A member whose first employment making him eligible for membership in one of Louisiana's state retirement systems occurred 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 whose first employment making him eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2010 and on or before June 30, 2015, is eligible for 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. A member whose first employment making him eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2015, is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62, 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 3.33% of the average compensation for the three highest consecutive years of membership service, subject to the 10.0% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2 per month for each year of service. For members who joined the System on or after July 1, 2006 and whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred on or before June 30, 2010, 3.33% 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 10.0% salary limitation.

**Catahoula Parish School Board
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Notes to Basic Financial Statements

For members whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2010, 2.5% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15.0% salary limitation. The supplemental allowance was eliminated for members entering the System 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.

2. Deferred Retirement Benefits

Members of the System may elect to participate in the Deferred Retirement Option Plan (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 DROP, 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 DROP. 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 System maintains subaccounts within this account reflecting the credits attributed to each participant in the System. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the System and employment, a participant may receive his DROP monies either in a lump sum payment from the account or disbursements in a manner approved by the Board.

The System 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.

3. Disability Benefits

A member is eligible to retire and receive disability benefits if he has at least 5 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 vested person with twenty or more years of creditable service is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits.

Upon the death of a member with 5 or more years of creditable service, the System 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.

4. Initial Benefit Retirement Plan

Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select certain benefit options. 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 Louisiana Revised Statutes 11:1152(F)(3).

**Catahoula Parish School Board
Harrisonburg, Louisiana
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Notes to Basic Financial Statements

Members who enter DROP or IBRP on or after January 1, 2004, are required to participate in LSERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP/IBRP participants to choose from a menu of investment options for the allocation of their DROP/IBRP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

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 employer's contribution rate for the year ended June 30, 2021, was 28.7% of annual payroll, with the employee contributing 7.5% of annual payroll. Contributions to the pension plan from the School Board were \$239,691 for the year ended June 30, 2022.

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

At June 30, 2022, the Catahoula Parish School Board reported a liability of \$1,213,546 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021, 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 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. At June 30, 2021, the School Board's proportion was 0.25531%, which was an increase of 0.02578% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School Board recognized pension expense of \$76,115 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources, \$18,064.

At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,249	\$ 17,633
Changes of assumptions	39,986	-
Net difference between projected and actual earnings on pension plan investments	-	461,705
Changes in proportion and differences between Employer contributions and proportionate share of contributions	117,191	-

**Catahoula Parish School Board
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Notes to Basic Financial Statements

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Employer contributions subsequent to the measurement date	239,691	-
Total	\$ 423,117	\$ 479,338

The \$239,691 reported as deferred outflows of resources related to pensions resulting from the School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2022. 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>	
2023	\$ (428)
2024	(1,542)
2025	(111,259)
2026	(182,682)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021, are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	6.90% per annum
Inflation Rate	2.50% per annum
Mortality	Mortality rates based on the RP-2014 Health Annuitant Tables, the RP-2014 Sex Distinct Employee Tables, and the RP-2014 Sex Distinct Disabled Tables.
Salary Increases	Salary increases were projected based on a 2018 experience study (for the period of 2013-2017) of the Plan's members, calculated at 3.25%.
Cost of Living Adjustments	Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.

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

**Catahoula Parish School Board
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Notes to Basic Financial Statements

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. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	26%	0.76%
Equity	39%	2.84%
Alternatives	23%	1.87%
Real estate	12%	0.60%
Total	100%	6.07%
Inflation		2.10%
Expected Arithmetic Nominal Return		8.17%

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 6.90%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.90%) or one percentage-point higher (7.90%) than the current rate:

	<u>1.0% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1.0% Increase (7.90%)</u>
Employer's proportionate share of the net pension liability	\$ 1,868,924	\$ 1,213,546	\$ 653,339

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LSERS 2021 Comprehensive Annual Financial Report at www.lservers.net.

**Catahoula Parish School Board
Harrisonburg, Louisiana
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Notes to Basic Financial Statements

C. Louisiana State Employees' Retirement System (LASERS)

General Information about the Pension Plan

Plan Description

Employees of Catahoula Parish School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that is available for download at www.laseronline.org.

Benefits Provided

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.

1. Retirement

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. LASERS rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing 10 years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015 may retire at age 60 upon completing 5 years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing 5 years of creditable service. 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. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

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 throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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Harrisonburg, Louisiana
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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 5 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 12 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.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after 5 years of creditable service and, may also retire at any age, 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. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

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.

2. Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (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 the System's realized return on its portfolio (not to be 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.

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Notes to Basic Financial Statements

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.

3. Disability Benefits

Generally, active members with 10 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.

4. Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011, who was in state service at the time of death must have a minimum of 5 years of service credit, at least 2 of which were earned immediately prior to death, or who had a minimum of 20 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 10 years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of 5 years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least 1 year before death.

5. 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.

**Catahoula Parish School Board
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Notes to Basic Financial Statements

Contributions

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La R.S. 11:401) and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted with the employer contributions to LASERS by participating employers. The rates in effect during the year ended June 30, 2021 for the various plans follow:

	Plan Status	Employer Contribution Rate
Appellate Law Clerks	Closed	40.1%
Alcohol Tobacco Control	Closed	38.1%
Bridge Police	Closed	38.5%
Corrections Primary	Closed	38.7%
Corrections Secondary	Closed	43.0%
Harbor Police	Closed	12.1%
Hazardous Duty	Open	45.0%
Judges		
Hired before 1/1/2011	Closed	42.5%
Hired after 12/31/2010	Closed	43.6%
Hired on or after 7/1/2015	Open	43.6%
Legislators	Closed	36.5%
Optional Retirement Plan (ORP)	Closed	40.1%
Peace Officers	Closed	40.9%
Regular Employees		
Hired before 7/1/2015	Closed	40.1%
Hired on or after 7/1/2015	Open	40.1%
Special Legislative Employees	Closed	38.5%
Wildlife Agents	Closed	50.5%
Aggregate Rate		40.6%

The School Board's contractually required composite contribution rate for the year ended June 30, 2021, was 39.5% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$22,676 for the year ended June 30, 2022.

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Notes to Basic Financial Statements

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

At June 30, 2022, the Catahoula Parish School Board reported a liability of \$282,739 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021, 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 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. At June 30, 2021, the School Board's proportion was 0.00514%, which was an increase of 0.00045% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School Board recognized pension expense of \$19,822 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$26,537.

At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 279	\$ 65,936
Changes of assumptions	6,925	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	17,074	-
Employer contributions subsequent to the measurement date	<u>22,676</u>	<u>-</u>
Total	\$ <u>46,954</u>	\$ <u>65,936</u>

The \$22,676 reported as deferred outflows of resources related to pensions resulting from the School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2023. 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>	
2023	\$ 12,836
2024	(10,160)
2025	(14,980)
2026	(29,353)

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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, 2021, are as follows:

Valuation Date	June 30, 2021																					
Actuarial Cost Method	Entry Age Normal																					
Actuarial Assumptions:																						
Expected Remaining Service Lives	2 years																					
Investment Rate of Return	7.40% per annum																					
Inflation Rate	2.30% per annum																					
Mortality																						
Non-disabled Members	Mortality rates based on the RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Table projected on a fully generational basis by Mortality Improvement Scale MP-2018.																					
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 (2014-2018) experience study of the System's members for 2019.																					
Salary Increases	Salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members are:																					
	<table><tr><td></td><td>Lower</td><td>Upper</td></tr><tr><td>Member Type</td><td>Range</td><td>Range</td></tr><tr><td>Regular</td><td>3.0%</td><td>12.8%</td></tr><tr><td>Judges</td><td>2.6%</td><td>5.1%</td></tr><tr><td>Corrections</td><td>3.6%</td><td>13.8%</td></tr><tr><td>Hazardous Duty</td><td>3.6%</td><td>13.8%</td></tr><tr><td>Wildlife</td><td>3.6%</td><td>13.8%</td></tr></table>		Lower	Upper	Member Type	Range	Range	Regular	3.0%	12.8%	Judges	2.6%	5.1%	Corrections	3.6%	13.8%	Hazardous Duty	3.6%	13.8%	Wildlife	3.6%	13.8%
	Lower	Upper																				
Member Type	Range	Range																				
Regular	3.0%	12.8%																				
Judges	2.6%	5.1%																				
Corrections	3.6%	13.8%																				
Hazardous Duty	3.6%	13.8%																				
Wildlife	3.6%	13.8%																				
Cost of Living Adjustments	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.																					

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

The investment rate of return used in the actuarial valuation for funding purposes was 7.75%, recognizing an additional thirty-five basis points for gain-sharing. The net return available to fund regular plan benefits is 7.40%, which is the same as the discount rate. Therefore, it was concluded that the 7.40% discount is reasonable.

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 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 of 2.30% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.61% for 2021. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	(0.29%)
Domestic equity	4.09%
International equity	5.12%
Domestic fixed income	0.49%
International fixed income	3.94%
Alternative investments	6.93%
Total Fund	5.81%

Discount Rate

The discount rate used to measure the total pension liability was 7.40%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at the actuarially determined rates approved by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the pension plan's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive 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.

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

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

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.40%, as well as what the employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.40%) or one percentage-point higher (8.40%) than the current rate:

	<u>1.0% Decrease (6.40%)</u>	<u>Current Discount Rate (7.40%)</u>	<u>1.0% Increase (8.40%)</u>
Employer's proportionate share of the net pension liability	\$ 383,090	\$ 282,739	\$ 197,353

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2021 Comprehensive Annual Financial Report at www.lasersonline.org.

12. Restatement of Beginning Fund Balance and Net Position

The School Board recorded the following prior period adjustments to restate fund balance and net position for correction of accounting errors and implementation of GASB 84:

Fund Balances, Beginning of Year	\$ 5,183,663
Medicaid premiums received in fiscal year ending June 30, 2022, for prior years	19,124
Additional sales tax revenues from prior years due to sales tax audits	21,154
Additional payables (invoices) received in fiscal year ending June 30, 2022, for prior years	(6,327)
Reduction in 8G grant revenue recorded in a prior year	<u>(16,060)</u>
Total prior period adjustments to beginning fund balance	<u>17,891</u>
Fund Balances, Beginning of Year, as Restated	<u>\$ 5,201,554</u>
Net Position, Beginning of Year	\$ (27,022,846)
Total prior period adjustments to beginning fund balance	<u>17,891</u>
Net Position, Beginning of Year, as Restated	<u>\$ (27,004,955)</u>

**Catahoula Parish School Board
Harrisonburg, Louisiana
June 30, 2022**

Notes to Basic Financial Statements

13. Commitment and Contingencies

The School Board receives grants for specific purposes that are subject to review and audit by the Louisiana Department of Education and/or U.S. Department of Education or other grantor agencies. Such audits could result in a request for reimbursement for disallowed costs under the terms of the grant agreements. In the opinion of management, such disallowance, if any, would be insignificant.

14. Related Parties

In February 2019, Ronald Lofton became the superintendent of the School Board. At that time, the business manager, who is Mr. Lofton's wife, Christi Lofton, signed a volunteer agreement to continue to work for the School Board without any form of payment. The School Board consulted their attorney and the Board of Ethics regarding this matter before Mr. Lofton took office.

15. 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; employee's health and natural disasters. During the year ended June 30, 2022, the School Board purchased commercial insurance to cover its risks of loss.

At June 30, 2022, the School Board was involved in various lawsuits. It is the opinion of management and the attorney for the School Board that, at June 30, 2022, resolution of the lawsuits will not result in any material adverse effect on the financial condition of the School Board.

16. Expenditures – Actual and Budget

The School Board made numerous supplemental budgetary appropriations throughout the year. The supplemental appropriations were made primarily to recognize new grants awarded for various special revenue funds. The supplemental budgetary appropriations were material. The following individual funds had actual expenditures over final budgeted expenditures for the year ended June 30, 2022.

<u>Fund</u>	<u>Negative Variance</u>
Parish-wide Maintenance	\$ 74,910
District #5	31,917
Tuition Fund	14,375
Early Childhood Community Network	36,306
School Accounting	108,538

Required Supplementary Information – Part II

Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (with Variances)
General Fund
For the Year Ended June 30, 2022

Statement G

Variance with
Final Budget -
Positive
(Negative)

	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Local sources				
Taxes				
Property	\$ 444,418	\$ 444,418	\$ 493,087	\$ 48,669
Sales and use	3,140,606	3,140,606	3,524,708	384,102
Rentals and leases	124,139	124,139	107,282	(16,857)
Tuition	465	465	2,111	1,646
Investment earnings	4,367	4,367	17,146	12,779
Other revenue from local sources	98,293	98,293	93,338	(4,955)
State sources				
Minimum Foundation Program	8,273,502	8,273,502	8,188,000	(85,502)
State revenue sharing	19,167	19,167	20,556	1,389
Other revenue from state sources	14,186	14,186	18,799	4,613
Federal sources	-	-	112,500	112,500
Total Revenues	12,119,143	12,119,143	12,577,527	458,384
Expenditures				
Current				
Instruction				
Regular programs	5,115,817	5,115,817	4,824,724	291,093
Special education programs	1,340,814	1,340,814	1,268,834	71,980
Vocational programs	804,024	804,024	899,869	(95,845)
Other instructional programs	173,091	173,091	174,143	(1,052)
Special programs	34,401	34,401	2,945	31,456
Adult and continuing education programs	127	127	-	127
Support services				
Student services	1,017,631	1,017,631	685,881	331,750
Instructional staff support	251,022	251,022	224,076	26,946
General administration	435,775	435,775	461,843	(26,068)
School administration	638,316	638,316	511,120	127,196
Business services	412,213	412,213	421,314	(9,101)
Plant services	1,074,997	1,074,997	1,089,109	(14,112)
Student transportation services	1,134,753	1,134,753	1,113,916	20,837
Central services	8,590	8,590	13,067	(4,477)
Food services	230,538	230,538	277,869	(47,331)
Total Expenditures	12,672,109	12,672,109	11,968,710	703,399
Excess (Deficiency) of Revenues over Expenditures	(552,966)	(552,966)	608,817	1,161,783
Other Financing Sources (Uses)				
Transfers in	516,395	516,395	866,380	349,985
Transfers out	-	-	(112,500)	(112,500)
Sale of property	-	-	760	760
Local revenue transfers - other LEAs	(378,439)	(378,439)	(405,562)	(27,123)
Total Other Financing Sources (Uses)	137,956	137,956	349,078	211,122
Net Change in Fund Balances	(415,010)	(415,010)	957,895	1,372,905
Fund Balances, Beginning of Year, as Restated	4,069,188	4,069,188	4,069,188	-
Fund Balances, End of Year	\$ 3,654,178	\$ 3,654,178	\$ 5,027,083	\$ 1,372,905

GAAP serves as the budgetary basis of accounting.

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (with Variances)
Special Revenue Fund - Title I Fund
For the Year Ended June 30, 2022**

	Budgeted Amounts		Statement H	
	Original	Final	Actual	Variance with Final Budget - Positive (Negative)
Revenues				
Federal sources	\$ 904,236	\$ 1,299,979	\$ 977,417	\$ (322,562)
Expenditures				
Current				
Instruction				
Regular programs	107,074	107,074	100,484	6,590
Vocational programs	14,500	14,500	10,000	4,500
Other instructional programs	30,588	30,588	-	30,588
Special programs	325,858	736,473	457,861	278,612
Support services				
Student services	6,873	14,825	4,447	10,378
Instructional support staff	281,321	216,284	267,063	(50,779)
Plant services	36,960	36,960	23,303	13,657
Student transportation services	-	-	4,100	(4,100)
Total Expenditures	803,174	1,156,704	867,258	289,446
Excess (Deficiency) of Revenues over Expenditures	101,062	143,275	110,159	(33,116)
Other Financing Sources (Uses)				
Transfers out	(101,062)	(143,275)	(110,159)	33,116
Total Other Financing Sources (Uses)	(101,062)	(143,275)	(110,159)	33,116
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

GAAP serves as the budgetary basis of accounting.

See independent auditor's report.

Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (with Variances)
Special Revenue Fund - Economic Stabilization Fund
For the Year Ended June 30, 2022

				Statement I
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget -
				Positive
				(Negative)
Revenues				
Federal sources	\$ 6,350,028	\$ 8,324,353	\$ 3,735,672	\$ (4,588,681)
Expenditures				
Current				
Instruction				
Regular programs	2,495,061	2,591,000	1,130,302	1,460,698
Special education programs	54,069	54,069	16,753	37,316
Vocational programs	445,093	445,093	60,677	384,416
Other instructional programs	15,155	15,155	164,949	(149,794)
Special programs	290,834	290,834	-	290,834
Support services				
Student services	135,202	135,202	18,228	116,974
Instructional support staff	754,726	910,238	395,675	514,563
Plant services	637,208	1,678,730	657,563	1,021,167
Student transportation services	252,083	495,734	38,675	457,059
Capital outlay	-	-	448,065	(448,065)
Total Expenditures	5,079,431	6,616,055	2,930,887	3,685,168
Excess (Deficiency) of Revenues over Expenditures	1,270,597	1,708,298	804,785	(903,513)
Other Financing Sources (Uses)				
Transfers out	(1,270,597)	(1,708,298)	(804,785)	903,513
Total Other Financing Sources (Uses)	(1,270,597)	(1,708,298)	(804,785)	903,513
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

GAAP serves as the budgetary basis of accounting.

See independent auditor's report.

Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Changes in Total OPEB Liability and Related Ratios

Statement J-1

Total OPEB Liability

	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Service cost	\$ 625,912	\$ 596,961	\$ 631,233	\$ 822,902	\$ 786,517
Interest	701,171	735,400	703,268	518,110	541,255
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(314,709)	(386,826)	(2,027,525)	957,578	5,270,990
Changes of assumptions or other inputs	(791,906)	997,504	4,951,380	427,864	(5,291,740)
Benefit payments	(803,677)	(803,677)	(900,825)	(914,802)	(1,309,725)
Net change in total OPEB liability	(583,209)	1,139,362	3,357,531	1,811,652	(2,703)
Total OPEB liability, beginning of year	19,987,628	19,404,417	20,543,779	23,901,310	25,712,962
Total OPEB liability, end of year	<u>\$ 19,404,417</u>	<u>\$ 20,543,779</u>	<u>\$ 23,901,310</u>	<u>\$ 25,712,962</u>	<u>\$ 25,710,259</u>
Covered-employee payroll	\$ 7,921,576	\$ 8,238,439	\$ 6,113,069	\$ 7,341,516	\$ 3,048,147
Total OPEB liability as a percentage of covered-employee payroll	244.96%	249.36%	390.99%	350.24%	843.47%

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

Notes to Schedule:

Change in benefit terms: There were no changes of benefit terms for the year ended June 30, 2022.

Change in assumptions: The discount rate as of June 30, 2021 was 2.16% and it changed to 3.54% as of June 30, 2022. The trend rate as of June 30, 2021 was 5.5% and it changed to 4.5% after ten years as of June 30, 2022.

See independent auditor's report.

Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer Contributions - OPEB

Statement J-2

	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Actuarially determined contribution	\$ 286,877	\$ 1,701,475	\$ 1,748,226	\$ 1,921,155	\$ 1,960,010
Contributions in relation to the actuarially determined contribution					
Employer contributions to trust	-	-	-	-	-
Employer-paid retiree premiums	150,228	803,677	900,825	914,802	1,309,725
Total contributions	150,228	803,677	900,825	914,802	1,309,725
Contribution deficiency (excess)	\$ 136,649	\$ 897,798	\$ 847,401	\$ 1,006,353	\$ 650,285
Covered-employee payroll	\$ 7,921,576	\$ 8,238,439	\$ 6,113,069	\$ 7,341,516	\$ 3,048,147
Contributions as a percentage of covered-employee payroll	1.90%	9.76%	14.74%	12.46%	42.97%

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

Notes to Schedule:

Valuation date July 1, 2021

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	Market value
Amortization period	30 years
Inflation	2.50% annually
Healthcare trend	5.50% annually for ten years, 4.5% thereafter
Salary increases	4.00% annually
Discount rate	2.16% annually (Beginning of Year to Determine ADC) 3.54% annually (As of End of the Year Measurement Date)
Retirement age	4.5 years after the later of attainment of 30 years of service at any age; or, attainment of age 55 and 25 years of service; or attainment of age 65 and 5 years of service; employees hired on or after January 1, 2011, are not able to retire or enter DROP until age 60 without actuarial reduction in benefits.
Mortality	RP-2000 without projection
Turnover	Age specific table with an average of 13% when applied to the active census
See independent auditor's report.	

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer's Share of Net Pension Liability
Teachers' Retirement System of Louisiana (TRSL)**

	Statement K							
	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Employer's Proportion of the Net Pension Liability (Asset)	0.13748%	0.14614%	0.14995%	0.13855%	0.12259%	0.10549%	0.09188%	0.09943%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 14,052,121	\$ 15,713,055	\$ 17,599,494	\$ 14,204,181	\$ 12,048,464	\$ 10,469,116	\$ 10,220,781	\$ 5,308,448
Employer's Covered-Employee Payroll	\$ 7,542,692	\$ 7,601,850	\$ 7,445,175	\$ 7,141,781	\$ 6,531,855	\$ 5,954,723	\$ 5,686,158	\$ 6,309,895
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	186.30%	206.70%	236.39%	198.89%	184.46%	175.81%	179.75%	84.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.70%	62.50%	59.90%	65.60%	68.20%	68.60%	65.60%	83.90%

The amounts presented have a measurement date of the previous fiscal year-end.

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

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer Contributions
Teachers' Retirement System of Louisiana (TRSL)**

Statement L

	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
6/30/2022	\$ 1,641,954	\$ 1,641,954	\$ -	\$ 6,515,690	25.20%
6/30/2021	1,627,953	1,627,953	-	6,309,895	25.80%
6/30/2020	1,478,401	1,478,401	-	5,686,158	26.00%
6/30/2019	1,589,911	1,589,911	-	5,954,723	26.70%
6/30/2018	1,737,473	1,737,473	-	6,531,855	26.60%
6/30/2017	1,829,787	1,829,787	-	7,141,781	25.62%
6/30/2016	1,955,241	1,955,241	-	7,445,175	26.26%
6/30/2015	2,176,893	2,176,893	-	7,601,850	28.64%

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

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Notes to Required Supplemental Information
Teachers' Retirement System of Louisiana (TRSL)
For the Year Ended June 30, 2022**

Statement M

Changes in Benefit Terms

There were no changes in benefit terms for the year ended June 30, 2022.

Changes of Assumptions

The valuation interest rate was decreased from 7.45% to 7.40% for the June 30, 2021, actuarial report.

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer's Share of Net Pension Liability
Louisiana School Employees' Retirement System (LSERS)**

Statement N

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Employer's Proportion of the Net Pension Liability (Asset)	0.13748%	0.27039%	0.25451%	0.26290%	0.24548%	0.22376%	0.22953%	0.25531%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,565,091	\$ 1,714,610	\$ 1,919,897	\$ 1,682,355	\$ 1,640,143	\$ 1,566,451	\$ 1,844,142	\$ 1,213,546
Employer's Covered-Employee Payroll	\$ 893,163	\$ 760,604	\$ 730,690	\$ 758,203	\$ 751,669	\$ 673,757	\$ 686,021	\$ 703,395
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	175.23%	225.43%	262.75%	221.89%	218.20%	232.49%	268.82%	172.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.18%	74.49%	70.09%	75.03%	74.44%	73.49%	69.67%	82.51%

The amounts presented have a measurement date of the previous fiscal year-end.

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

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer Contributions
Louisiana School Employees' Retirement System (LSERS)**

Statement O

	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
6/30/2022	\$ 239,691	\$ 239,691	\$ -	\$ 835,160	28.70%
6/30/2021	206,798	206,798	-	703,395	29.40%
6/30/2020	196,888	196,888	-	686,021	28.70%
6/30/2019	185,957	185,957	-	673,757	27.60%
6/30/2018	195,434	195,434	-	751,669	26.00%
6/30/2017	207,531	207,531	-	758,203	27.37%
6/30/2016	220,650	220,650	-	730,690	30.20%
6/30/2015	250,378	250,378	-	760,604	32.92%

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

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Notes to Required Supplemental Information
Louisiana School Employees' Retirement System (LSERS)
For the Year Ended June 30, 2022**

Statement P

Changes in Benefit Terms

There were no changes in benefit terms for the year ended June 30, 2022.

Changes of Assumptions

The valuation interest rate was decreased from 7.00% to 6.00% for the June 30, 2021, actuarial report.

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer's Share of Net Pension Liability
Louisiana State Employees' Retirement System (LASERS)**

Statement Q

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Employer's Proportion of the Net Pension Liability (Asset)	0.00590%	0.00280%	0.00469%	0.00434%	0.00454%	0.00440%	0.00469%	0.00514%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 369,046	\$ 190,714	\$ 367,971	\$ 305,274	\$ 309,897	\$ 318,486	\$ 387,729	\$ 282,739
Employer's Covered-Employee Payroll	\$ 100,261	\$ 88,643	\$ 88,488	\$ 89,229	\$ 87,937	\$ 89,933	\$ 95,356	\$ 114,796
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	368.09%	215.15%	415.84%	342.12%	352.41%	354.14%	406.61%	246.30%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.00%	62.70%	57.70%	62.50%	64.30%	62.90%	58.00%	72.80%

The amounts presented have a measurement date of the previous fiscal year-end.

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

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Employer Contributions
Louisiana State Employees' Retirement System (LASERS)**

Statement R

	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
6/30/2022	\$ 22,676	\$ 22,676	\$ -	\$ 57,408	39.50%
6/30/2021	46,033	46,033	-	114,796	40.10%
6/30/2020	38,810	38,810	-	95,356	40.70%
6/30/2019	34,085	34,085	-	89,933	37.90%
6/30/2018	33,328	33,328	-	87,937	37.90%
6/30/2017	32,002	32,002	-	89,229	35.87%
6/30/2016	32,773	32,773	-	88,488	37.04%
6/30/2015	34,671	34,671	-	88,643	39.11%

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

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Notes to Required Supplemental Information
Louisiana State Employees' Retirement System (LASERS)
For the Year Ended June 30, 2022**

Statement S

Changes in Benefit Terms

There were no changes in benefit terms for the year ended June 30, 2022.

Changes of Assumptions

The valuation interest rate was decreased from 7.55% to 7.40% for the June 30, 2021, actuarial report.

See independent auditor's report.

Supplementary Information

Compensation Paid Board Members

The schedule of compensation paid to the Catahoula Parish School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature. Compensation of the Catahoula Parish School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the Catahoula Parish School Board members have elected the monthly payment method of compensation. Under this method, each member of the Board receives \$350 per month, each member on the finance committee receives an additional \$50 (\$400 total per month), and the President receives \$440 per month for performing the duties of his office.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2022**

Schedule T

Dewey Stockman	\$ 5,280
Jane Martin	4,800
John Allbritton	4,800
Katie Adams	4,800
Dorothy Watson	4,200
Cynthia Brown	4,200
Toshiro Fisher	4,200
Sharon Fisher-Stevenson	4,200
Tillman Jolly	4,200
	<hr/>
Total	<u><u>\$ 40,680</u></u>

See independent auditor's report.

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Compensation, Benefits, and Other
Payments to the Agency Head
For the Year Ended June 30, 2022**

Schedule U

Agency Head: Ronald R. Lofton, Sr., Superintendent

Purpose	Amount
Salary	\$ 100,331
Stipends	1,425
Benefits - Medicare	1,475
Benefits - insurance	15,828
Benefits - retirement	25,643
Worker's compensation	610
Membership dues	600
Travel	1,533
	<hr/>
Total	\$ 147,445
	<hr/>

See independent auditor's report.

Schedule of Expenditures of Federal Awards

Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Schedule V

Federal Grantor/ Pass-Through Grantor/ Program Name	Assistance Listing (CFDA)	Pass-through Grant Number	Expenditures	
United States Department of Agriculture				
Passed through Louisiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	N/A	\$ 222,108	
National School Lunch Program	10.555	N/A	511,361	733,469
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	N/A		75,615
Total United States Department of Agriculture				809,084
United States Department of Education				
Passed through Louisiana Department of Education				
Title I Grants to Local Educational Agencies	84.010	28-22-DSS-13	14,097	
		28-21-RD19-13	164,688	
		28-22-T1-13	798,632	977,417
Special Education Cluster (IDEA)				
Special Education Grants to States (IDEA, Part B)	84.027	28-22-B1-13	292,923	
		28-22-IA11-13	3,694	296,617
Special Education Preschool Grants (IDEA Preschool)	84.173	28-22-P1-13		2,223
Career and Technical Education - Basic Grants to States	84.048	28-22-02-13		65
Supporting Effective Instruction State Grants	84.367	28-22-50-13		36,153
Comprehensive Literacy Development	84.371	28-20-CCUB-13	51,718	
		28-20-CCU6-13	19,369	
		28-20-CCUK-13	110,574	
		28-20-CCU9-13	27,617	209,278
Education Stabilization Fund	84.425U	28-21-ES3F-13	1,830,002	
	84.425U	28-21-ES3I-13	22,580	
	84.425U	28-21-ESEB-13	186,239	
	84.425D	28-21-ES2F-13	1,695,951	
	84.425D	28-21-ES2I-13	900	3,735,672
Total United States Department of Education				5,257,425
United States Department of Health and Human Services				
Passed through Louisiana Department of Education				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	28-22-LDHS-13		112,500
CCDF Cluster				
Child Care and Development Block Grant	93.575	28-21-CCRC-13	49,998	
		28-21-CO-13	2,273	52,271
Total United States Department of Health and Human Services				164,771
Total Expenditures of Federal Awards				\$ 6,231,280

Notes:

The schedule of expenditures of federal awards includes the federal activity of the Catahoula Parish School Board under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Catahoula Parish School Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Catahoula Parish School Board.

The schedule of expenditures of federal awards was prepared on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the Catahoula Parish School Board's accounting policies.

No federal funds were awarded to subrecipients during the year ended June 30, 2022.

Catahoula Parish School Board did not elect to use the ten percent (10%) *de minimus* indirect cost rate allowed under the Uniform Guidance.

See independent auditor's report.

**Other Reports Required by
Government Auditing Standards
and the Uniform Guidance**

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed
in Accordance with *Government Auditing Standards***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed
in Accordance with *Government Auditing Standards***

To the Catahoula Parish School Board
Harrisonburg, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Catahoula Parish School Board, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Catahoula Parish School Board's basic financial statements and have issued our report thereon dated January 12, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Catahoula Parish School Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Catahoula Parish School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Catahoula Parish 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. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.





PAYNE, MOORE & HERRINGTON, LLP

To the Catahoula Parish School Board
Harrisonburg, Louisiana

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Catahoula Parish 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-002 and 2022-003.

Catahoula Parish School Board's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School Board's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

January 12, 2023

**Independent Auditor's Report on Compliance for Each
Major Program and on Internal Control Over Compliance
Required by the Uniform Guidance**



PAYNE, MOORE & HERRINGTON, LLP

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**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

To the Catahoula Parish School Board
Harrisonburg, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Catahoula Parish School Board's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Catahoula Parish School Board's major federal programs for the year ended June 30, 2022. Catahoula Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Catahoula Parish 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, 2022.

Basis for Opinion on Each Major Federal Program

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 the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Catahoula Parish School Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Catahoula Parish School Board's compliance with the compliance requirements referred to above.





PAYNE, MOORE & HERRINGTON, LLP

To the Catahoula Parish School Board
Harrisonburg, Louisiana

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Catahoula Parish School Board's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Catahoula Parish School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Catahoula Parish School Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Catahoula Parish School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Catahoula Parish School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Catahoula Parish School Board's internal control over compliance. Accordingly, no such opinion is expressed.



PAYNE, MOORE & HERRINGTON, LLP

To the Catahoula Parish School Board
Harrisonburg, Louisiana

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Payne, Moore & Herrington, LLP
Certified Public Accountants
Alexandria, Louisiana

January 12, 2023

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? X yes no
 Significant deficiency(ies) identified not considered
 to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? X yes no

Management's Corrective Action Plan See attached

Management's Summary Schedule of Prior Audit Findings Not applicable

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? yes X no
 Significant deficiency(ies) identified not considered
 to be material weaknesses? yes X none reported

Type of auditor's report issued on
 compliance for major programs: Unmodified

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

Identification of major programs:

<u>Assistance Listing (CFDA) Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553 and 10.555	Child Nutrition Cluster
84.425D and 84.425U	Economic Stabilization Fund (ESF)

Dollar threshold used to distinguish
 between type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2022**

Section II – Findings Relating to the Financial Statements

Finding 2022-001: Untimely Bank and Internal Balance Reconciliations

Criteria: Bank and internal balance reconciliations should be performed monthly to provide accurate and consistent financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition and Context: Immaterial and material journal entries were made during the audit as a result of not reconciling bank statements and internal balances timely.

Cause and Effect: Bank statements and internal balances were not reconciled on a monthly basis and reviewed by someone other than the Business Manager. Therefore, cash and due to/due from accounts were materially misstated due to errors or omissions not resolved on a timely basis.

Recommendation: We recommend that the Business Manager prepare the bank and internal balance reconciliations each month prior to the preparation of the financial statements. We also recommend that the accounts receivable accountant review the reconciliations once completed as per the School Board's policy.

Management's response: See Management's Corrective Action Plan.

Finding 2022-002: Untimely Submission of Audit Report

Criteria: In accordance with LA R.S. 24:513, the School Board's audit report must be submitted to the Louisiana Legislative Auditor within 180 days of the fiscal year end.

Condition and Context: The School Board's audit report was not submitted to the Louisiana Legislative Auditor within 180 days of the fiscal year end.

Cause and Effect: The School Board's audit report was not submitted timely, therefore, it is not in compliance with LA R.S. 24:513.

Recommendation: We recommend that the School Board comply with the submission requirements set forth by state statute.

Management's response: See Management's Corrective Action Plan.

Finding 2022-003: Compliance with Louisiana Government Budget Act

Criteria: The Louisiana Local Government Budget Act requires adoption of a budget amendment when actual total revenues and other sources within a fund are failing to meet total budgeted revenues and other sources by five percent or more or when total actual expenditures and other uses within a fund are failing to meet total budgeted expenditures and other uses by five percent or more.

Condition and Context: The School Board's actual revenues and other sources failed to meet budgeted revenues and other sources by more than five percent in the District #1, District #5, IDEA Preschool, IDEA B, Carl Perkins, 8G Early Childhood, Title I, Title II, Education Excellence, LA4, PBIS Coalition,

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2022**

Rapides Foundation Walking Trail, Rapides Foundation Healthy Behaviors, LOSFA, Economic Stabilization, Rapides Foundation Too Smart to Start, Kellie Chisum – Student Workers, and Comprehensive Literacy Development funds.

The School Board's actual expenditures and other uses exceeded budgeted expenditures and other uses by more than five percent in the Parish-wide Maintenance, District #5, Tuition Fund, Early Childhood Community Network, and School Accounting funds.

Cause and Effect: The School Board failed to amend their budgets, therefore, it is in violation of the Louisiana Local Government Budget Act.

Recommendation: We recommend that the School Board comply with the Louisiana Local Government Budget Act.

Management's response: See Management's Corrective Action Plan.

Section III – Federal Award Findings and Questioned Costs

Not applicable.

Management's Corrective Action Plan

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JOHNNIE ADAMS,
SUPERINTENDENT



BOARD MEMBERS
DEWEY W. STOCKMAN, PRESIDENT
DOROTHY WATSON, VICE-PRESIDENT
KATIE ADAMS
JOHN W. ALLBRITTON
CYNTHIA BROWN
TILLMAN JOLLY
TOSHIRO FISHER
JANE MARTIN
SHARON FISHER-STEVENSON

Management's Corrective Action Plan Year Ended June 30, 2022

The Catahoula Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2022.

Independent Public Accounting Firm:

Payne, Moore & Herrington LLP
PO Box 13200
Alexandria LA 71315-3200

Audit Period: July 1, 2021 - June 30, 2022

Finding 2022-001: Untimely Bank and Internal Balance Reconciliations

Condition and Context: Immaterial and material journal entries were made during the audit as a result of not reconciling bank statements and internal balances timely.

Recommendation: We recommend that the Business Manager prepare the bank and internal balance reconciliations each month prior to the preparation of the financial statements. We also recommend that the accounts receivable accountant review the reconciliations once completed as per the School Board's policy.

Management's Response: The Business Manager will prepare the bank and internal balance reconciliations each month within a timely manner from this point forward. Additionally, the accounts receivable accountant will review the reconciliations once completed as per the School Board's policy. This was the first year for the Business Manager to be in charge of this procedure. It will be adhered to now.

Finding 2022-002: Untimely Submission of Audit Report

Condition and Context: The School Board's audit report was not submitted to the Louisiana Legislative Auditor within 180 days of the fiscal year end.

Recommendation: We recommend that the School Board comply with the submission requirements set forth by state statute.

Management's Response: In the months leading up to our scheduled audit, our agency had numerous software/internet problems. The internet issue has been resolved and we are currently in the process to update our accounting software. However, that down time and the glitches with our software significantly delayed our timeline for reporting. This will be corrected from this point forward.

"This institution is an equal opportunity provider and employer."

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JOHNNIE ADAMS,
SUPERINTENDENT



BOARD MEMBERS
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CYNTHIA BROWN
TILLMAN JOLLY
TOSHIRO FISHER
JANE MARTIN
SHARON FISHER-STEVENSON

Finding 2022-003: Compliance with Louisiana Government Budget Act

Condition and Context: The School Board's actual revenues and other sources failed to meet budgeted revenues and other sources by more than five percent in the District #1, District #5, IDEA Preschool, IDEA B, Carl Perkins, 8G Early Childhood, Title I, Title II, Education Excellence, LA4, PBIS Coalition, Rapides Foundation Walking Trail, Rapides Foundation Healthy Behaviors, LOSFA, Economic Stabilization, Rapides Foundation Too Smart to Start, Kellie Chisum – Student Workers, and Comprehensive Literacy Development funds.

The School Board's actual expenditures and other uses exceeded budgeted expenditures and other uses by more than five percent in the Parish-wide Maintenance, District #5, Tuition Fund, Early Childhood Community Network, and School Accounting funds.

Recommendation: We recommend that the School Board comply with the Louisiana Local Government Budget Act.

Management's Response: The School Board will comply with this guideline from this point forward. This was due to a misunderstanding by the new Business Manager that will be corrected.

Respectfully submitted,

Lora White
Business Manager

"This institution is an equal opportunity provider and employer."

Catahoula Parish School Board

*Agreed-Upon Procedures Report
on School Board Performance Measures*

Harrisonburg, Louisiana

June 30, 2022



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

To the Catahoula Parish School Board,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the Catahoula Parish School Board for the fiscal year ended June 30, 2022, and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514.1. Management of the Catahoula Parish School Board is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

1. We selected a sample of twenty-five (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.





PAYNE, MOORE & HERRINGTON, LLP

To the Catahoula Parish School Board,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor

The following differences were noted:

Some amounts were classified in a different expenditure or revenue account on the Annual Financial Report (AFR) when compared to the state definitions for performance measures. The following expenditures or revenues were reported as detailed below:

Account	Amount	Account per CPSB Annual Financial Report	Proper Account per Definition for Performance Measures
Regular Programs - Other Instructional Salaries (1)	\$ 4,527	Regular Programs Secondary Teachers (grades 9 thru 12)	Regular Programs - Other Instructional Salaries
	62	Not reported in the AFR	Regular Programs Employee Benefits (2)

(1) Per the Catahoula Parish School Board AFR, the account in the general fund with a function code of 1100 with object code 100 is reporting \$4,527 less than the general ledger states. The account structure is reported as Other Instructional Staff Activities by the state definitions for performance measures. On the contrary, the account in the general fund with function code 1130 with object code 112 is reporting \$4,527 more than the general ledger states. This account structure is reported as Classroom Teacher Salaries by the state definitions for performance measures.

(2) Per the state definitions, Regular Programs are defined as "activities that provide students in grades K-12 with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers." The above amount of \$62 for Regular Programs – Employee Benefits was not classified by Catahoula Parish School Board on the AFR as such. However, the Catahoula Parish School Board did record this on the general ledger in the general fund in an account with the correct object code and function code according to the state definition for performance measures.

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 ten (10) classes to the October 1st roll books for those classes and observed that the class was properly classified on the schedule.

No exceptions were found as a result of this procedure.



PAYNE, MOORE & HERRINGTON, LLP

To the Catahoula Parish School Board,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor

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 twenty-five (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.

In our test of twenty-five (25) individuals, we noted three (3) individuals whose years of experience did not agree to the October 1, 2021, PEP report.

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 twenty-five (25) individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

No exceptions were found as a result of this procedure.

We were engaged by the Catahoula Parish School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



PAYNE, MOORE & HERRINGTON, LLP

To the Catahoula Parish School Board,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor

We are required to be independent of the Catahoula Parish School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Catahoula Parish School Board, as required by Louisiana Revised Statute 24:514.1, 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 Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Payne, Moore & Herrington, LLP".

Certified Public Accountants
Alexandria, LA

January 12, 2023

**Catahoula Parish School Board
Harrisonburg, Louisiana
Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2022**

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

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

Schedule 2 (Formerly Schedule 6) – Class Size Characteristics

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

**Catahoula Parish School Board
Harrisonburg, Louisiana
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2022**

Schedule 1

	<u>Column A</u>	<u>Column B</u>
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 3,602,080	
Other Instructional Staff Activities	748,308	
Instructional Staff Employee Benefits	2,523,005	
Purchased Professional and Technical Services	17,675	
Instructional Materials and Supplies	<u>145,669</u>	
Total Teacher and Student Interaction Activities		\$ 7,036,737
Other Instructional Activities		133,777
Pupil Support Services	685,882	
Less: Equipment for Pupil Support Services	<u>-</u>	
Net Pupil Support Services		685,882
Instructional Staff Services	224,075	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		224,075
School Administration	511,120	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		511,120
Total General Fund Instructional Expenditures (Total of Column B)		<u>\$ 8,591,591</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ 186,504
Renewable Ad Valorem Tax		791,645
Debt Service Ad Valorem Tax		52,635
Up to 1% Collections by the Sheriff on Taxes Other than School Taxes		43,366
Sales and Use Taxes		<u>3,518,995</u>
Total Local Taxation Revenue		<u>\$ 4,593,145</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ 118,556
Earnings from Other Real Property		<u>2,200</u>
Total Local Earnings on Investment in Real Property		<u>\$ 120,756</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$ 7,770
Revenue Sharing - Other Taxes		32,648
Other Revenue in Lieu of Taxes		<u>4,187</u>
Total State Revenue in Lieu of Taxes		<u>\$ 44,605</u>

**Catahoula Parish School Board
Harrisonburg, Louisiana
Class Size Characteristics
As of October 1, 2021**

Schedule 2

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	66 %	49	34 %	25	- %	-	- %	-
Elementary Activity Classes	67	8	33	4	-	-	-	-
Middle/Jr. High	-	-	-	-	-	-	-	-
Middle/Jr. High Activity Classes	-	-	-	-	-	-	-	-
High	96	112	4	5	-	-	-	-
High Activity Classes	100	16	-	-	-	-	-	-
Combination	93	289	7	22	-	-	-	-
Combination Activity Classes	87	33	13	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.

Management's Corrective Action Plan

POST OFFICE BOX 690
200 BUSHLEY STREET
HARRISONBURG, LA 71340
TELEPHONE: (318) 744-5727
FAX: (318) 744-9221
WWW.CPSBLA.ORG

JOHNNIE ADAMS,
SUPERINTENDENT



BOARD MEMBERS
DEWEY W. STOCKMAN, PRESIDENT
DOROTHY WATSON, VICE-PRESIDENT
KATIE ADAMS
JOHN W. ALLBRITTON
CYNTHIA BROWN
TILLMAN JOLLY
TOSHIRO FISHER
JANE MARTIN
SHARON FISHER-STEVENSON

Management's Corrective Action Plan Year Ended June 30, 2022

The Catahoula Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2022.

Independent Public Accounting Firm:

Payne, Moore & Herrington LLP
PO Box 13200
Alexandria LA 71315-3200

Audit Period: July 1, 2021 - June 30, 2022

Agreed-Upon Procedures Report - Schedule 1

The Business Manager will check that all salaries are classified correctly for all reporting guidelines.

Agreed-Upon Procedures Report – Education Levels/Experience of Public School Staff (No Schedule)

The payroll accountant will review all employees to verify their years of experience. These employees were already at the maximum years of 25; however, we will document that as well moving forward.

Respectfully submitted,

Lora White
Business Manager

“This institution is an equal opportunity provider and employer.”

Catahoula Parish School Board

Statewide Agreed-Upon Procedures Report

Alexandria, Louisiana

June 30, 2022



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1946

Independent Accountant's Report on Applying Agreed-Upon Procedures

Catahoula Parish School Board
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Catahoula Parish School Board's management is responsible for those C/C areas identified in the SAUPs.

The School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

Written Policies and Procedures

1. **Procedure:** Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - 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.
 - c) **Disbursements**, including processing, reviewing, and approving.





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Catahoula Parish School Board
and the Louisiana Legislative Auditor

- 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 (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- 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 (e.g., determining the reasonableness of fuel card purchases).
- h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to 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.
- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

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



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Board or Finance Committee

2. **Procedure:** Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: In our examination of the board/finance committee minutes, we noted no evidence of semi-annual budget-to-actual comparisons on special revenue funds.

Management's Response: Management will begin immediately presenting the finance committee with semi annual financial reports on special revenue funds.

Bank Reconciliations

3. **Procedure:** Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select four (4) additional accounts [or all accounts if less than five (5)]. Randomly select one (1) month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- a) Bank reconciliations include evidence that they were prepared within two (2) months of the related statement closing date (e.g., initialed and dated or electronically logged);



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- 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 (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than twelve (12) months from the statement closing date, if applicable.

Results: In our examination of five (5) bank reconciliations, we noted:

- a) One (1) reconciliation in which there was no evidence that a bank reconciliation was performed.
- b) Four (4) reconciliations in which there was no evidence that a member of management/board member had reviewed the bank reconciliations.

Management's Response: Management will begin immediately verifying that each school location has updated bank reconciliations done and approved by management.

Collections (excluding electronic funds transfers)

- 4. **Procedure:** Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select five (5) deposit sites [or all deposit sites if less than five (5)].

Results: No exceptions noted.

- 5. **Procedure:** For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one (1) collection location for each deposit site [i.e., five (5) collection locations for five (5) deposit sites], obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.
- 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 (e.g., pre-numbered receipts) to the deposit.



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- 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.
- 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/official verifies the reconciliation.

Results: In our inquiries and observations of five (5) locations we noted:

- a. Four (4) locations in which employees that are responsible for cash collections share cash drawers/registers.
- b. Four (4) locations in which each employee responsible for collecting cash is responsible for preparing/making bank deposits, and no other employee/official is responsible for reconciling collection documentation to the deposit.
- c. Two (2) locations in which each employee responsible for collecting cash is responsible for posting collection entries to the general ledger or subsidiary ledgers, and no other employee is responsible for reconciling ledger postings to each other and to the deposit.
- d. Three (3) locations in which the employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are also responsible for collecting cash, and no other employee verifies the reconciliation.

Management's Response: Due to the small size of our schools and the small number of employees, full separation of duties is not possible to achieve. In order to address this, we have other checks and balances procedures in place. All principals review and sign the bank reconciliation each month. After this, all school accounting documentation is sent to the Central Office business department where an employee reviews all documents from the month. Any issues found during this review are reported back to the principal of the school. School Food Service reports for monthly receipts are submitted to the School Food Service Supervisor monthly along with a check for all receipts. The money deposited is reviewed to ensure that it matches the amount received in the computer for the payments by employees and students. The district is CEP for all schools meaning that all student breakfasts and lunches are free; therefore, the cash flow into the program is low. The only receipts are for employees and student extras.

- 6. **Procedure:** Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

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



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7. **Procedure:** Randomly select two (2) deposit dates for each of the five (5) bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the ten (10) deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one (1) business day of receipt at the collection location [within one (1) week if the depository is more than ten (10) miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer].
 - e) Trace the actual deposit per the bank statement to the general ledger.

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

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. **Procedure:** Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select five (5) locations [or all locations if less than five (5)].

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

9. **Procedure:** For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two (2) employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.



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- b) At least two (2) employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

Results: In our inquiries and observations of the non-payroll purchasing and payment functions of five (5) locations, we noted:

- a) Three (3) locations in which there was only one employee involved in processing and approving payments.
- b) Two (2) locations in which the same employee responsible for processing payments is able to add/modify vendor files, and no other employee is responsible for periodically reviewing changes to vendor files.
- c) Two (2) locations in which the same employee is responsible for signing, mailing, and processing payments.

Management's Response: Due to the small size of our schools and the small number of employees, full separation of duties is not possible to achieve. In order to address this, we have other checks and balances procedures in place. All school accounting documentation is sent to the Central Office business department where an employee reviews all documents from the month. Any issues found during this review are reported back to the principal of the school. We will also ensure that all checks and check stock are in a locked location with the signature authority having no access to said items. At the central office location, the business manager has to approve all invoices before they are paid, therefore, the A/P bookkeeper cannot issue a payment without said approval.

- 10. **Procedure:** For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five (5) disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.



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- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

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

- 11. **Procedure:** Obtain 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. Obtain management's representation that the listing is complete.

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

- 12. **Procedure:** Using the listing prepared by management, randomly select five (5) cards [or all cards if less than five (5)] that were used during the fiscal period. Randomly select one (1) monthly statement or combined statement for each card [for a debit card, randomly select one (1) monthly bank statement], obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
- b) Observe that finance charges and late fees were not assessed on the selected statements.

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

- 13. **Procedure:** Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select ten (10) transactions [or all transactions if less than ten (10)] from each statement, and obtain supporting documentation for the transactions [i.e. each card should have ten (10) transactions subject to testing]. For each transaction, observe 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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



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Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- 14. Procedure:** Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select five (5) reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five (5) reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

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

Contracts

- 15. Procedure:** Obtain 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. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select five (5) contracts [or all contracts if less than five (5)] from the listing, excluding the practitioner's contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).



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- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one (1) payment from the fiscal period for each of the five (5) contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

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

Payroll and Personnel

- 16. Procedure:** Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five (5) employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

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

- 17. Procedure:** Randomly select one (1) pay period during the fiscal period. For the five (5) employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

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



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- 18. Procedure:** Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two (2) employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

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

- 19. Procedure:** Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

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

Ethics

- 20. Procedure:** Using the five (5) randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one (1) hour of ethics training during the fiscal period.
- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

Debt Service

- 21. Procedure:** Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

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



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22. **Procedure:** Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one (1) bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

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

Fraud Notice

23. **Procedure:** Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

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

24. **Procedure:** Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

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

Information Technology Disaster Recovery/Business Continuity

25. **Procedure:** Perform the following procedures, **verbally discuss the results with management, and report, "We performed the procedure and discussed the results with management."**
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/ verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.



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- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select five (5) computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

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

Sexual Harassment

- 26. **Procedure:** Using the five (5) randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/ official completed at least one (1) hour of sexual harassment training during the calendar year.

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

- 27. **Procedure:** Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

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

- 28. **Procedure:** Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a.) Number and percentage of public servants in the agency who have completed the training requirements;
- b.) Number of sexual harassment complaints received by the agency;
- c.) Number of complaints which resulted in a finding that sexual harassment occurred;
- d.) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e.) Amount of time it took to resolve each complaint.

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



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We were engaged by the School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The report is intended 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.

A handwritten signature in cursive script that reads "Payne, Moore & Herrington, LLP".

Payne, Moore & Herrington, LLP
Alexandria, Louisiana

January 12, 2023