Morehouse Parish School Board FINANCIAL STATEMENTS June 30, 2022

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INDEPENDENT AUDITORS' REPORT

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Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Morehouse 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 Morehouse 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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Morehouse Parish School Board, as of June 30, 2022, and the respective changes in financial position, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Morehouse 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.

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 Morehouse 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.

Auditors' 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 judgment 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 Morehouse Parish School Board's internal control.
 Accordingly, no such opinion is expressed.
- 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 Morehouse 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, the Budgetary Comparison Schedules, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Employer's Proportionate Share of Net Pension Liability, and the Schedule of Employer's Contributions, as listed in the table of contents, 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 Morehouse Parish School Board's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and , the Schedule of Compensation Paid to Board Members, and the Schedule of Compensation, Benefits and Other Payments to 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 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 combining and individual nonmajor fund financial statements 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 November 6, 2023 on our consideration of the Morehouse 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 Morehouse 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 Morehouse Parish School Board's internal control over financial reporting and compliance.

CARR, RIGGS & INGRAM, LLC

Carr, Riggs & Ungram, L.L.C.

Shreveport, Louisiana

November 6, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

We offer readers of the Morehouse Parish School Board's financial statements this narrative overview and analysis of the financial activities of the Morehouse Parish School Board for the fiscal year ended June 30, 2022. It is designed to assist the reader in focusing on significant financial issues and identifying changes in the School Board's financial position.

Financial Highlights

Government-wide financial highlights for the 2021-22 fiscal year include the following:

- <u>Statement of Net Position</u> The liabilities of the Morehouse Parish School Board exceeded its assets at the close of the most recent fiscal year by (\$63.8 million) (net deficit).
- <u>Capital Assets</u> Total capital assets (net of depreciation) were \$13.7 million or 46% of the total assets. Morehouse Parish School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Obligations The School Board's total obligations decreased by approximately \$36 million.
- <u>Statement of Activities</u> The total net position of the Morehouse Parish School Board increased by approximately \$9.9 million for the year ended June 30, 2022.

Morehouse Parish School Board ended the 2021-2022 fiscal year with a fund balance in the General Fund of approximately \$3.1 million.

- Governmental Funds Balance Sheet As of the close of the 2021-2022 fiscal year, Morehouse Parish School Board's governmental funds reported combined ending fund balance of \$13.8 million, an increase of approximately \$1.8 million in comparison with the prior fiscal year adjusted fund balance. This fund balance is comprised of approximately (1) \$3.1 million in General Fund, (2) \$2.9 million in the school food service fund, (3) approximately \$627,000 in the debt service fund, (4) \$5.7 million in the sales tax fund, and (5) \$1.3 million in the remaining special revenue and capital projects funds.
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances Total revenues for the year ended June 30, 2022 for the governmental funds of Morehouse Parish School Board amounted to approximately \$54 million. Approximately 97% of this amount is received from four major revenue sources: (1) \$23.7 million from Minimum Foundation Program, (2) \$14 million from federal grants, (2) \$6.6 million from local ad valorem taxes and (3) \$7.8 million from local sales and use taxes.

Overview of the Financial Statements

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

<u>Government-wide Financial Statements</u>. The government-wide financial statements are designed to provide readers with a broad overview of Morehouse Parish School Board's finances, in a manner similar to a 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 Morehouse Parish School Board is improving or deteriorating.
- The Statement of Activities presents information showing how the School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

<u>Fund Financial Statements</u>. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Morehouse Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of Morehouse Parish 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 reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on nearterm inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating Morehouse Parish School Board near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of Morehouse Parish School Board's near-term financing decision. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Morehouse Parish School Board maintains seventeen governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Title 1, Sales Tax, Education Stabilization and School Food Service funds, all of which are considered to be major funds. Data for the remaining eleven governmental fund groups are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Morehouse Parish School Board adopts an annual appropriated budget for its General Fund and all Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

<u>Notes to the basic financial statements</u>. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School Board's compliance with budgets for its major funds. The combining statements for non-major governmental funds are presented immediately following the required supplementary information.

Financial Analysis of Government-wide Activities

The largest portion of Morehouse Parish School Board's total assets, totaling approximately \$13.7 million, net of depreciation, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment). The net investment in capital assets is less any related debt used to acquire those assets that are still outstanding of \$10.3 million for a net investment in capital assets of \$3.4 million. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although Morehouse Parish School Board's investment in its capital assets net position is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following analysis focuses on the net position of the School Board's governmental-wide activities:

June 30,	2022	2021	Change
Current and other assets	\$ 16,053,711	\$ 16,335,022	\$ (281,311)
Capital assets	13,677,118	14,307,049	(629,931)
Total assets	29,730,829	30,642,071	(911,242)
Deferred outflows of resources	17,728,184	25,027,656	(7,299,472)
Current and other liabilities	3,406,161	6,811,738	(3,405,577)
Long-term liabilities	78,828,662	113,861,422	(35,032,760)
Total liabilities	82,234,823	120,673,160	(38,438,337)
Deferred inflows of resources	29,061,865	8,764,269	20,297,596
Net position			
Net investment in capital assets	3,373,899	3,979,483	(605,584)
Restricted	10,571,352	9,699,152	872,200
Unrestricted	(77,782,926)	(87,446,337)	9,663,411
Total net position (deficit)	\$ (63,837,675)	\$ (73,767,702)	\$ 9,930,027

Restricted net position of \$10.6 million is reported separately to show the legal constraints for the payment of instructional costs, food services and outstanding long-term debt obligations and future construction projects and to limit the School Board from using these funds for day-to-day operations. The food service fund accounts for \$2.9 million of the total, instructional costs accounts for \$5.9 million of the total and the debt service fund accounting for \$628,000. The remaining balance of \$727,000 money restricted for capital project, maintenance costs and student activity funds.

The following analysis focuses on the change in net position of the School Board's governmental activities:

	Governmental Activities										
For the years ended June 30,		2022		2021		Change					
Revenues											
Program revenues		1.000				40.000					
Charges for services	\$	4,608	\$	10,494	\$	(5,886)					
Operating and capital grants and contributions		14,535,173		12,777,800		1,757,373					
General revenues											
Ad valorem taxes		6,633,211		6,637,501		(4,290)					
Sales taxes		7,725,435		7,774,290		(48,855)					
Minimum foundation program		23,813,280		24,357,470		(544,190)					
Other general revenues		1,616,660		1,346,235		270,425					
Total revenues		54,328,367		52,903,790		1,424,577					
Expenses											
Instruction											
Regular programs		8,782,207		11,347,782		(2,565,575)					
Special programs		3,108,113		3,837,029		(728,916)					
Other instructional programs		14,479,531		16,373,600		(1,894,069)					
Support services											
Pupil support services		1,635,374		2,139,719		(504,345)					
Instructional staff support		2,594,464		2,743,327		(148,863)					
General administration		940,603		1,152,526		(211,923)					
School administration		1,506,246		2,158,510		(652,264)					
Business services		885,652		953,651		(67,999)					
Plant services		4,687,802		4,029,447		658,355					
Student transportation services		2,399,161		2,810,453		(411,292)					
Central services		754,494		806,708		(52,214)					
Other support services		2,131		2,131		-					
School food services		2,837,448		2,176,735		660,713					
Facility acquisition and construction		-		60,428		(60,428)					
Debt service - interest on long-term obligations		293,854	<u> </u>	382,003		(88,149)					
Total expenses		44,907,080		50,974,049		(6,066,969)					
Increase (decrease) in net position (deficit)		9,421,287		1,929,741		7,491,546					
Net position (deficit) - beginning, as originally stated		(73,770,628)		(75,920,560)		2,149,932					
Prior period adjustment		511,666		220,191		291,475					
Net position (deficit) - beginning, as restated		(73,258,962)		(75,700,369)		2,441,407					
Net position (deficit) - ending	\$	(63,837,675)	\$	(73,770,628)	\$	9,932,953					

Governmental Activities

Expenses are classified by functions/programs. Instructional services for fiscal 2022 totaled \$26,369,851, compared to a total of \$31,558,411 for 2021. The remaining functions are considered support services and relate to those functions that support the instructional services provided, such as pupil support, instructional staff support, and administration, transportation, and plant services. Support services for fiscal 2022 totaled \$15,405,927 compared to \$16,796,472 for 2021.

The remaining expenditures of \$3,131,302 consist of \$2,837,448 for food and service operations and \$293,854 for interest expense on long-term obligations.

In the table below, we have presented the cost of each of the School Board's six largest functions – regular programs, special programs, other instructional programs, plant services, student transportation services, and food services as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

		Total Cos	Net Cost of Services							
June 30,	-	2022	2021	2022		2021				
Regular programs	\$	8,782,207	\$ 11,347,782	\$ 5,775,679	\$	9,019,160				
Special programs		3,108,113	3,837,029	\$ 2,493,740		3,158,829				
Other instructional programs		14,479,531	16,373,600	\$ 11,452,483		11,361,186				
Plant services		4,687,802	4,029,447	\$ 3,474,153		3,886,454				
Studen transportation services		2,399,161	2,810,453	\$ 1,824,658		2,628,089				
Food services		2,837,448	2,176,735	\$ 326,493		483,863				
All others		8,612,818	10,399,003	\$ 5,020,093		7,648,174				
Totals	\$	44,907,080	\$ 50,974,049	\$ 30,367,299	\$	38,185,755				

The related program revenues for fiscal year 2022 directly related to these expenses totaled \$14,539,781. The balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- Minimum Foundation Program (MFP) MFP is the funding formula for the 69 school districts in the state of Louisiana. The School Board was allocated \$33,620,176 in MFP funds in fiscal year FY22; with \$9,806,896 passed through to the district's Type 3 Charter, Beekman Alumni and Friends, Inc. The net amount received by the School Board was \$23,813,280, which is 44% of the total revenues received by the School Board.
- <u>Federal grant revenues</u> Federal grant revenues are the second largest source of revenue for the School Board, generating \$13,964,263 in revenue, or 25.8% of total revenue.
- <u>Sales Tax revenues</u> Sales tax revenues are the third largest source of revenue for the School Board, generating \$7,725,435 in revenue, or 14.3% of total revenue
- Ad Valorem tax revenues Ad valorem, or property tax revenues, the fourth largest source of revenues, accounts for \$6,597,634 in revenue, or 12.3% of total revenues.

Financial Analysis of Governmental Funds

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

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

- As of the close of the current fiscal year, Morehouse Parish School Board's governmental funds reported a combined ending fund balance of \$13,759,771; an increase of \$1,783,505 of the adjusted prior year balance of \$11,976,266 in comparison with the prior fiscal year.
- The General Fund is the chief operating fund of Morehouse Parish School Board. At the end of the current fiscal year, the fund balance of the General Fund is \$3,113,449.
- The Special Revenue Funds, including nonmajor special revenue funds, have a total fund balance of \$9,762,948 of which \$75,034 is nonspendable, \$5,941,857 is restricted for instructional costs, \$2,877,043 is restricted for food services, \$528,383 is restricted for construction and maintenance costs, and \$340,695 is restricted for student activity funds.
- The Debt Service Funds have a total fund balance of \$627,506 all of which is restricted for the payment of debt service.
- The Capital Projects Funds have a fund balance of \$255,868, all of which is restricted for construction projects.

General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S 39:1301 et seq), Morehouse Parish School Board must adopt a budget for the General Fund and all Special Revenue funds prior to September 15th. The original budget for the School Board was adopted on September 15, 2020.

The original General Fund Budget projected an ending fund balance of \$1,814,060, with the amended budget projecting to end the year with a positive balance of \$2,312,308. The actual ending balance for the General Fund came in at \$3,113,449.

Capital Assets and Debt Administration

<u>Capital Assets</u>: Morehouse Parish School Board's capital assets as of June 30, 2022 amounts to \$13,677,118 (net of accumulated depreciation). This includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

June 30,	2022	2021
Land	\$ 319,013	\$ 319,013
Buildings and improvements	10,445,121	11,285,759
Furniture and equipment	2,912,984	2,702,277
	\$ 13,677,118	\$ 14,307,049

<u>Long-Term Debt</u>: At the end of the current fiscal year, Morehouse Parish School Board had total debt outstanding of \$10.2 million. Of the amount, \$8.3 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2022 and 2021.

June 30,	2022	2021
General Obligation Bonds		
Series 2011, refunding	\$ 3,575,000	\$ 4,100,000
Series 2012, refunding	-	2,300,000
Series 2016, refunding	2,590,000	2,810,000
Series 2021, refunding	2,125,000	-
Limited Tax Bonds		
Series 2016	955,000	1,010,000
Financed Purchases		
Buses	992,962	1,186,725
Total outstanding debt	\$ 10,237,962	\$ 11,406,725

Future Operations

The School Board adopted a General Fund budget for 2022-2023 with a projected operating surplus of \$36,042. For the upcoming fiscal year, listed below are several factors considered for 2022-2023 operations and budget preparations.

- The 2021-2022 Minimum Foundation Program funding is projected to remain the same as last year with the exception of the reduction of approximately \$400,000 (before adding Level 4 funding or reductions for local funds transferred to other LEAs) primarily due to starting the year with a lower student enrollment based on last year's February 1st student count and less an estimate of 150 students.
- Property tax collections for the 2022 calendar year are anticipated to be consistent than the prior year.
- Teachers Retirement System of Louisiana employer contribution rate will remain the same at FY2023.
- Louisiana School Employees' Retirement System employer contribution rate will remain the same for FY2022.
- Office of Group Benefits released rate increases that are effective January 1, 2022.
- Substitute costs are expected to increase with the uncertainty that will be placed on schools and the Central Office of when and if staff will be unable to work due to COVID-19. Due to substitutes being hard to find during the pandemic, the daily rate has increased from \$55/day to \$60/day. ESSER funding has allowed for static substitutes to be placed at schools for the following positions: teachers, cafeteria staff, custodial staff, and bus drivers.
- COVID-19 will have an uncalculated effect on K-12 education this year and for the years to come.

Contacting the School Board's Financial Management

If you have questions about this report or need additional financial information, contact Ersula Downs of Morehouse Parish School Board, P.O. Box 872, Bastrop, LA 71221-0872, or call at (318) 281-5784.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Morehouse Parish School Board Statement of Net Position

	Primary Government Governmental			
June 30, 2022	Activities	Beekman Alumn and Friends, Inc.		
Assets				
Cash and cash equivalents	\$ 6,741,046	\$ 3,116,133		
Restricted cash	-	358,747		
Investments	79,846	-		
Receivables				
Ad valorem taxes	19,713	-		
Sales and use taxes	609,906	-		
Federal grants	8,323,857	1,942,704		
State grants	111,239	-		
Other	38,105	-		
Inventories	129,999			
Other assets	-	30,082		
Capital assets, net	13,677,118	4,867,845		
Total assets	29,730,829	10,315,511		
Deferred outflows of resources				
Deferred outflows related to bonds	60,103	-		
Deferred outflows related to pensions	7,721,242	-		
Deferred outflows related to OPEB	9,946,839	-		
Total deferred outflows of resources	17,728,184	-		
Liabilities				
Accounts payable	254,952	258,672		
Salaries and wages payable	1,917,857	1,007,276		
Deferred revenue	121,130	-		
Interest payable	85,796	4		
Long-term liabilities				
Due within one year	1,026,426	89,245		
Due in more than one year	78,828,662	287,590		
Total liabilities	82,234,823	1,642,787		
Deferred inflows of resources				
Deferred inflows related to pensions	14,506,240			
Deferred inflows related to OPEB	14,555,625	1 2 2 a		
Total deferred inflows of resources	29,061,865			
No.				
Net position	2 272			
Net investment in capital assets	3,373,899	4,867,845		
Restricted for				
Instructional costs	5,941,857	-		
Capital projects	255,868	-		
Debt service	627,506	-		
School food service	2,877,043	-		
Instructional and maintenance costs	528,383	<u>-</u> 10		
Student activity funds	340,695	357,458		
Unrestricted	(77,782,926)	3,447,421		
Total net position (deficit)	\$ (63,837,675)	\$ 8,672,724		

Morehouse Parish School Board Statement of Activities

For the year ended June 30, 2022		EXPENSES		Primary PROGRAI RGES FOR RVICES	M RE		RE	T (EXPENSES) VENUES AND CHANGES IN ET POSITION	c	omponent Unit
F*										
Functions/programs Governmental Activities										
Instructional services										
Regular programs	\$	8,782,207	\$		\$	3,006,528	\$	(5,775,679)		
Special education programs	Ą	3,108,113	Y		7	614,373	7	(2,493,740)		
Vocational programs		596,130				245,809		(350,321)		
Other instructional programs		11,884,220				596,565		(11,287,655)		
Special programs		1,997,915		_		2,184,674		186,759		
Adult/continuing education		1,266		_		-		(1,266)		
Support services		1,200						(1,200)		
Pupil support services		1,635,374		_		344,344		(1,291,030)		
Instructional staff support services		2,594,464		_		2,580,988		(13,476)		
General administration		940,603		_		66,288		(874,315)		
School administration		1,506,246		_		141,433		(1,364,813)		
Business services		885,652		_		98,084		(787,568)		
Plant services		4,687,802		_		1,213,649		(3,474,153)		
Student transportation services		2,399,161		_		574,503		(1,824,658)		
Central services		754,494		_		361,588		(392,906)		
Other support services		2,131		_		-		(2,131)		
Noninstructional services		2,131						(2,232)		
Food service operations		2,837,448		4,608		2,506,347		(326,493)		
Debt service		2,007,110		1,000		2,500,517		(020, 100)		
Interest and fiscal charges on										
long-term obligations		293,854		-		-		(293,854)		
Total Primary Government	\$	44,907,080	\$	4,608	\$	14,535,173	\$	(30,367,299)		
								•		
Component Unit										
Beekman Alumni and Friends, Inc.	\$	9,807,621	\$	1,200	\$	2,432,534			\$	(7,373,887)
General revenues										
Taxes										
Ad valorem taxes levied for										
General purposes								5,116,816		-
Debt service purposes								1,516,395		-
Sales taxes levided for general purpo	ses							7,725,435		-
Grants and contributions not restricted	to sp	ecific progran	าร							
Minimum foundation program								23,813,280		9,806,896
State revenue sharing								198,306		-
Interest and investment earnings								6,125		-
Student activity funds								615,781		98,672
Other								796,448		25,228
Total general revenues								39,788,586		9,930,796
Changes in net position								9,421,287		2,556,909
Net position (deficit) at beginning of ye	ar							(73,770,628)		6,115,815
Prior period adjustment	.ai							511,666		-
Net position (deficit) at beginning of ye	ar re	stated						(73,258,962)		6,115,815
the position (denote) at beginning of ye	, 10							(,3,230,302)		5,115,015
Net position (deficit) at end of year							\$	(63,837,675) \$	5	8,672,724

FUND FINANCIAL STATEMENTS

Morehouse Parish School Board Balance Sheet – Governmental Funds

					MAJOF	RFUN	IDS								
					SPECIAL	REVE	NUE		4,				GGREGATE EMAINING		
						E	DUCATION						FUNDS		
		GENERAL				STA	ABILIZATION	SC	HOOL FOOD		DEBT	NONMAJOR			
June 30,2022		FUND		TITLE I	SALES TAX		FUND		SERVICE		SERVICE	GOV	/ERNMENTAL		TOTAL
Assets															
Cash and cash equivalents	\$	50,160	\$	_	\$ 2,120,996	\$	-	\$	2,537,126	\$	623,289	\$	1,409,475	\$	6,741,046
Investments		79,846		-	-		-		-		-		-		79,846
Accounts receivable		55,362		1,285,408	615,289		5,282,261		466,420		4,217		1,393,863		9,102,820
Internal balances		4,381,554		31,296	3,337,780		-		12,557		_		-		7,763,187
Inventory		54,965		-			-		75,034		-		-		129,999
Total assets	\$	4,621,887	\$	1,316,704	\$ 6,074,065	\$	5,282,261	\$	3,091,137	\$	627,506	\$	2,803,338	\$	23,816,898
Liabilities and fund balances															
Liabilities															
Accounts payable	\$	165,032	\$	4,629	\$ 20,286	\$	19,641	\$	29,055	\$	_	\$	16,310	\$	254,953
Salaries and wages payable		1,196,544		99,460	314,147		129,945		93,106		-		84,655		1,917,857
Internal balances		146,862		1,212,324	-		5,132,675		-		-		1,271,326		7,763,187
Other liabilities		-		291	-		-		16,899		-		103,940		121,130
Total liabilities		1,508,438	_	1,316,704	334,433		5,282,261		139,060		-	_	1,476,231		10,057,127
Fund balances															
Nonspendable															
Inventory and other assets		54,965		-	-		-		75,034		-		-		129,999
Restricted for															
Instructional costs		-		-	5,739,632		-		-		-		202,161		5,941,793
Student activity funds		-		-	-		-		-		-		340,695		340,695
Construction and maintenance costs		-		-	-		-		-		-		528,383		528,383
Food services		-		-	-		-		2,877,043		-		-		2,877,043
Debt service		-		-	-		-		-		627,506		-		627,506
Capital projects		-		-	-		-		-		-		255,868		255,868
Unassigned		3,058,484			 -		-		-		-	_		_	3,058,484
Total fund balances	-	3,113,449		-	5,739,632		-		2,952,077	1	627,506		1,327,107		13,759,771

\$ 5,282,261

\$ 3,091,137

627,506

2,803,338

\$ 23,816,898

\$ 6,074,065

Total liabilities and fund balances

\$ 4,621,887

\$ 1,316,704

Morehouse Parish School Board Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Total fund balances - governmental funds		\$ 13,759,771
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is		
reported as an expenditure in government funds. The Statement of Net Position includes those capital		
assets among the assets of the School Board as a whole. The cost of those capital assets allocated over		
their estimated useful lives (as depreciation expense) to the various programs is reported as		
governmental activities in the Statement of Activities. Because depreciation expense does not affect		
financial resources, it is not reported in governmental funds.		
Cost of capital assets	49,100,011	
Accumulated depreciation	(35,422,893)	13,677,118
Long-term liabilities applicable to the School Board's governmental activities are not due and payable		
in the current period and accordingly are not reported as fund liabilities. All liabilities - both current		
and long term - are reported in the Statement of Net Position.		
Long-term liabilities		
Compensated absences payable	(924,866)	
General obligation bonds payable	(8,290,000)	
Capital lease payable	(992,962)	
Sales tax bonds payable	(955,000)	
Other post employment benefits	(50,920,407)	
Bond premium	(65,256)	
Interest payable	(85,796)	
Net pension obligations	(17,706,597)	(79,940,884)
Deferred outflows of resources related to refunding	60,103	
Deferred outflows of resources related to pensions (from pension schedule)	7,721,242	
Deferred outflows of resources related to OPEB	9,946,839	17,728,184
Deferred inflows of resources related tp pensions (from pension schedules)	(14,506,240)	
Deferred inflows of resources related to OPEB	(14,555,625)	(29,061,865)
Net Position (Deficit)		\$ (63,837,675)

Morehouse Parish School Board Statement of Revenues, Expenditures and Changes in Fund Balances -Governmental Funds

				JOR FUNDS			AGGREGATE	
		_	SPECIAL	REVENUE		REMAINING		
				EDUCATION			FUNDS	
	GENERAL			STABILIZATION	SCHOOL FOOD	DEBT	NONMAJOR	
For the year ended June 30, 2022	FUND	TITLE I	SALES TAX	FUND	SERVICE	SERVICE	GOVERNMENTAL	TOTAL
REVENUES								
Local sources								
Ad valorem taxes	\$ 2,947,848	\$ -	\$ 1,469,163	\$ -	\$ -	\$ 1,532,103	\$ 648,520	\$ 6,597,634
Sales and use taxes	-	-	7,776,720	-	-		-	7,776,720
Earnings on investments	2,258		3,260			240	367	6,125
Cash payments for meals					4,608			4,608
Student activity fund receipts	*						615,780	615,780
Other local revenue	694,802		4,800		21,495		4,103	725,200
State sources								
State equalization	23,702,937	_	-		34,609			23,737,546
Revenue sharing	153,570		-	-	-	-	-	153,570
Other unrestricted revenue	8,095		-	-	-		572,319	580,414
Other restricted revenue	19,447			-		-	-	19,447
Federal sources	,							20,
Federal restricted grants-in-aid	28,492	2,403,292		6,726,124	2,312,326		2,526,224	13,996,458
Total revenues	27,557,449	2,403,292	9,253,943	6,726,124	2,373,038	1,532,343		54,213,502
EXPENDITURES								
Current								
Instructional services								
Regular programs	13,182,805		4,986,904	2,404,737			291,073	20,865,519
Special education programs	2,614,438		749,147	107,184			496,004	3,966,773
Vocational programs	302,517		106,735	12,920			304,698	726,870
Other instructional programs	1,146,497		157,224	33,791			1,065,731	2,403,243
Special programs	117,192	1,421,478	175,010	75,919			487,414	2,277,013
Adult/Continuing education programs		-	1,266	-			107,111	1,266
Support services			1,200					1,200
Pupil support services	1,408,254		388,095	160,304			145,212	2,101,865
Instructional staff support	582,428	563,325	320,233	810,630			904,682	3,181,298
General administration	711,013	303,323	216,936	55,001			4,433	987,383
School administration	1,450,879		363,936	116,301			18,666	1,949,782
Business services	828,621	2.	164,412	81,383			10,000	1,074,416
Plant services	2,793,458		521,727	254,607	123		38,458	3,608,373
Student transportation services	1,855,128		422,248	431,486	123		78,983	2,787,845
Central services			134,771					893,231
Other support services	450,015	126,836		173,609			8,000	2,131
			2,131					2,131
Noninstructional services	142.005		207.002	110.010	2 (11 225		10.541	2 102 204
Food service operations	143,005		307,903	110,610	2,611,235		19,541	3,192,294
Debt service	424.045		E0 740			4 020 000	FF 000	1 200 702
Principal	134,045	•	59,718		-	1,020,000		1,268,763
Interest Capital outlay	22,106	•	19,132	752 200	•	231,388		314,886
	21,603	2 444 620	52,402	752,396	2 (11 200	1 251 200	2.000.155	826,401
Total expenditures	27,764,004	2,111,639	9,149,930	5,580,878	2,611,358	1,251,388	3,960,155	52,429,352
Excess (deficiency) of revenues								
over expenditures	(206,555)	291,653	104,013	1,145,246	(238,320)	280,955	407,158	1,784,150

Morehouse Parish School Board Statement of Revenues, Expenditures and Changes in Fund Balances -Governmental Funds

					MA	JOR F	UNDS				AGGF	REGATE		
					SPECIAL	REVE	NUE				REMA	AINING		
						E	DUCATION				FU	INDS		
	GE	NERAL				STA	ABILIZATION	SC	HOOL FOOD	DEBT	NON	MAJOR		
For the year ended June 30, 2022	F	UND	TITLE I	9	SALES TAX		FUND		SERVICE	SERVICE	GOVER	NMENTAL		TOTAL
OTHER FINANCING SOURCES (USES)														
Proceeds from sale of assets		2,456			-					-		-		2,456
Proceeds from issuance of debt			-		-					2,150,000				2,150,000
Transfers in		1,625,644	-		-									1,625,644
Payments to bond escrow		-	-							(2,153,100)				(2,153,100)
Transfers out		-	(291,653)		-		(1,145,246)		-	-	(188,745)		(1,625,644)
Total other financing sources (uses)		1,628,100	(291,653)		-		(1,145,246)		•	(3,100)	(188,745)	_	(644)
Net change in fund balances		1,421,544			104,013				(238,320)	277,855		218,413		1,783,505
Fund balances as originally stated		1,305,706			5,531,964				3,168,585	349,651	1,	108,694		11,464,600
Prior period adjustment		386,199	747		103,655		-		21,812	-				511,666
Fund balances at beginning of year		1,691,905	•		5,635,619				3,190,397	349,651	1,	108,694	_	11,976,266
Fund balances at end of year	\$	3,113,449	\$	\$	5,739,632	\$		\$	2,952,077	\$ 627,506	\$ 1,	327,107	\$	13,759,771

Morehouse Parish School Board Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Net change in compensated absences	13,231		35,943,235
Net change in net pension liability	16,919,503		
Net change in other post-employment benefits	17,696,328		
Change in bond premiums	42,310		
Payments to escrow	2,153,100		
Principal portion of capital lease payments	193,763		
Principal portion of debt service payments	1,075,000		
Proceeds from issuance of debt	(2,150,000)		
Changes in long-term debt			
funds. Neither transaction, however, has any effect on net position.			
The issuance of long-term debt provides current financial resouces of governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental			
Change in deferred outflows of resources - other post-employment benefits			(3,424,052)
Change in deferred inflows of resources - other post-employment benefits			(11,587,830)
Change in deferred outflows of resources - pension plans			(3,935,523)
Change in deferred inflows of resources - pension plans			(8,706,840)
Excess of interest accrued over interest paid			(21,279)
recognized as the interest accrues, regardless of when it is due.			
thus requires the use of current financial resources. In the Statement of Activities, interest expense is			
governmental funds because interest is recognized as an expenditure in the funds when it is due, and			
Interest on long-term debt in the Statement of Activities differs from the amount reported in the			
Depreciation	(1,297,361)	_	(629,929)
Capital expenditures	667,432		
of Activities, the cost of those assets is allocated over their estimated useful lives. Capital assets:			
Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of			
Amounts reported for governmental activities in the Statement of Activities are different because:			
Total net change in fund balances - Governmental Funds		\$	1,783,505

Morehouse Parish School Board Discretely Presented Component Unit – Beekman Alumni and Friends, Inc. Statement of Financial Position

June 30, 2022	
Assets	
Current assets	
Cash	\$ 3,116,133
Restricted cash	358,747
Receivables	1,942,704
Other assets	30,082
Total current assets	5,447,666
Capital assets, net of accumulated depreciation	4,867,845
Total assets	\$ 10,315,511
Liabilities	-4 77
Current liabilities	
Accounts payable	\$ 258,672
Salaries and wages payable	1,007,276
Accrued interest payable	4
Current portion of long term debt	63,265
Current portion of compensated absences	25,980
Total current liabilities	1,355,197
Non-current liabilities	
Long term debt, non-current	-
Compensated absences, non-current	287,590
Total liabilities	1,642,787
Net Position	
Without Donor Restrictions	
Undesignated	8,315,266
With Donor Restrictions	357,458
Total net position	8,672,724
Total liabilities and net position	\$ 10,315,511

Morehouse Parish School Board Discretely Presented Component Unit – Beekman Alumni and Friends, Inc. Statement of Activities

For the year ended June 30,2022	
Expenses	
Instructional	\$ 5,849,197
Support services	3,958,424
Total expenses	9,807,623
Program Revenues	
Charges for services	1,200
Operating grants and contributions	2,432,534
Total program revenues	2,433,734
Net program expense	7,373,887
General Revenues	
Grants not restricted to specific purposes	
Minimum Foundation Program	9,806,896
Interest and investment earnings	
Student activity funds	98,672
Other revenue	25,228
Total general revenues	9,930,796
Change in net position	2,556,909
Net Position at beginning of year	6,115,815
Net Position at end of year	\$ 8,672,724

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Morehouse Parish School Board (the "School Board") was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Morehouse Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own governance 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 seven members who are elected from seven districts for terms of four years.

The School Board operates five schools within the parish with a total enrollment of approximately 3,600 students. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

Financial Reporting Entity

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 accompanying financial statements present the School Board and its component unit, an entity for which the School Board is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the School Board. The accounting policies of the School Board conform to generally accepted accounting principles (GAAP) as applied to governmental entities. The more significant accounting policies are described below.

In evaluating the School Board as a reporting entity, management has considered all potential component units in accordance with Section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board (GASB) Codification.

Discretely Presented Component Unit

The School Board has one component unit, Beekman Alumni and Friends, Inc. Beekman Alumni and Friends, Inc. is a legally separately entity and, as such, appoints its own Board. Beekman Alumni and Friends, Inc. is a Type 3 Charter School that opened in the fall of 2013. It has a June 30 fiscal year-end. Complete financial statements of this component unit can be obtained from Beekman Alumni and Friends, Inc. or the School Board. The School Board and its component unit represent the reporting entity. Additionally, the School Board is a legally separate elected governing body and does not meet the definition of a component unit of any other entity.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The School Board does not have any business-type activity funds.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the 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.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Property taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue sources (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the School Board.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds.

As discussed earlier, the School Board has one discretely presented component unit. While the Beekman Alumni and Friends, Inc. is considered to be a major component unit, it is nevertheless shown in separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the School Board's funds. Separate statements for each fund category is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

The School Board reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in a separate fund. The General Fund is always a major fund.

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Funds are major funds:

Title I of the Elementary and Secondary Education Act (ESEA) is a federally financed program which provides for the needs 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.

School Food Service is designed to assist in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Sales Tax is designed to account for the collection and distribution of the sales tax levies to provide additional support to the School Board to include funding of capital improvements and employee salaries.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds (Continued)

Education Stabilization Fund are federal programs that provides local educational agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. Authority for creation of this fund is the Education Stabilization Fund, a component of the recently enacted Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021.

Debt Service Fund – Revenues received from ad valorem taxes and interest earnings are used to make principal and interest payments on bond indebtedness.

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue funds. Certain special revenue funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Cash and Cash Equivalents

Cash and cash equivalents include amounts in interest-bearing demand deposits as well as short-term investments with a maturity date within three months of the date acquired. Short-term investments are stated at cost, which approximates fair value.

Interest earned on balances maintained in the pooled bank account was distributed to the individual funds based on the cash balance maintained by the unrestricted participating fund during the year.

The School Board maintains separate "book" cash accounts for each fund that is pooled within the master bank account. Negative book cash balances appear in the financial statements as a liability, "Due to Other Funds." The balance of these amounts will be paid primarily through collections of grants receivable reimbursements from the Federal and State Departments of Education.

Investments

Investments for the School Board include certificates of deposits, which are stated at cost, which approximates fair value.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes, sales taxes, and grants.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, grants, and other similar intergovernmental revenues since they are usually both measureable and available.

Interfund Activities and Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. These amounts are eliminated in the governmental columns of the statement of net position, except for the net residual amounts due from other governmental agencies and due to vendors in the normal course of business.

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies, purchased food and commodities. The cost of such inventories is recorded as expenditures/expense when consumed rather than when purchased.

Restricted Assets

Certain assets of the School Board are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited assets as follows:

Bond debt service accounts – Includes certain proceeds from issuance of revenue bonds, as well as certain resources set aside for the repayment of bonds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital Assets, which include land, buildings, and equipment, are reported in the governmental-wide financial statements. The School Board considers assets with an initial individual cost of \$5,000 or more and an estimated life of one year or more as a capital asset.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is used based on the following useful lives:

Buildings 40 years Furniture and equipment 3-15 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The School Board has three (3) items that qualify for reporting as deferred outflows of resources, the deferred outflows related to pension, deferred outflows related to other post-employment benefits, and deferred outflows related to bonds, all reported in the government-wide statement of net position. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: Pension Activities — Reporting for Benefits Provided through Trusts That Meet Specified Criteria and other post-employment benefits as calculated in accordance with GASB Codification Section P52: Postemployment Benefits Other than Pensions — Reporting for Benefits Not Provided through Trusts that Meet Specified Criteria — Defined Benefit. The deferred outflows related to pensions and other post-employment benefits will be recognized as either pension expense or other post-employment benefit expense or a reduction in the net pension liability in future reporting periods.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The School Board has two (2) items that qualify for reporting as deferred inflows of resources.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources (Continued)

The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: Pension Activities — Reporting for Benefits Provided through Trusts That Meet Specified Criteria and other post-employment benefits as calculated in accordance with GASB Codification Section P52: Postemployment Benefits Other than Pensions — Reporting for Benefits Not Provided through Trusts that Meet Specified Criteria — Defined Benefit. The deferred inflows related to pensions and other post-employment benefits will be recognized as a reduction to pension expense or other post-employment benefits expense in future reporting periods.

Compensated Absences

All employees receive ten sick days each year, with any unused portion being carried forward. Upon retirement, employees with twenty years of service or more are paid for up to 25 days of accumulated sick leave. Only employees who work 12 calendar months per year earn vacation days. The School Board's policy regarding payment of accumulated vacation days is to allow for a maximum accumulation and payment of no more than 30 days with persons credited with days in excess of 30 as of the effective date (July 1, 1994) being grandfathered in at their then-current accumulation.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums are deferred and amortized over the life of the bonds and are recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification Section 130: Interest Costs – Imputation, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

In the fund financial statements, governmental fund types recognize bond premium and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Categories and Classification of Fund Equity

Net position flow assumption – Sometimes the School Board will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity (Continued)

Fund balance flow assumptions - Sometimes the School Board will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The School Board itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School Board's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the School Board that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the School board for specific purposes but do not meet the criteria to be classified as committed. The School Board may also assign fund balance as it does when appropriate fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity (Continued)

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Revenues, and Expenditures / Expenses

Program revenues – Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes – Property taxes attach as an enforceable lien on real property and are levied as of July 1st. The tax levy is divided into two billings: the first billing (mailed on July 1) is an estimate of the current year's levy based on the prior year's taxes; the second billing (mailed on January 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 6, 2023 and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Newly Adopted Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' 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 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. Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The School Board has evaluated these criteria and determined that the impact to the financial statements was less than material.

In January 2020, GASB Statement No. 92, *Omnibus 2020*, was issued. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The School Board has evaluated these criteria and determined that the impact to the financial statements was less than material.

Recently Issued Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The applicable requirements of this Statement are effective for fiscal years beginning after June 15, 2023. Earlier application is encouraged.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. Earlier application is encouraged.

In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Earlier application is encouraged.

The School Board is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

Custodial credit risk - deposits. The School Board's cash and cash equivalents and investments consist of deposits with financial institutions. State statutes govern the School Board's investment policy. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, savings accounts or savings certificates of savings and loan associations, and repurchase agreements. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates the local government investment pool. Collateral is required for demand deposits, certificates of deposit, savings certificates of savings and loan associations and repurchase agreements at 100% of all amounts not covered by deposit insurance.

Obligations that may be pledged as collateral are obligations of the United States government and its agencies and obligations of the state and its subdivisions. Per Louisiana State law, collateral is not required for funds invested in LAMP.

Differences between School Board balances and the bank balances arise because of the net effect of deposits-in-transit and outstanding checks.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

The following is a schedule of the School Board's cash and cash equivalents at June 30, 2022.

		chool Board ok Balances	Bank Balance		
Cash on deposit	\$	6,740,946	\$	9,343,392	
Petty cash		100		-	
Total cash and cash equivalents	\$	6,741,046	\$	9,343,392	
The School Board's deposits are collateraliz	zed as follows:				
Federal Deposit Insurance			\$	(750,000)	
Pledged Securities					
				13,818,673	

The School Board's investments at June 30, 2022, consist of a certificate of deposit with a carrying and market value of \$79,846. It is held by the School Board's agent in the School Board's name and is collateralized.

Credit risk — Section I50: Investments of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The School Board's investment policy limits investments to securities with specific ranking criteria.

Concentration risk – Section I50: Investments of the GASB Codification requires disclosure of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The School Board's investment policy does not address concentration risk.

Fair Value — GASB Codification Section 3100: Fair Value Measurements establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the codification are described as follows:

Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School Board has the ability to access.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Level 2 (L2): Inputs to the valuation methodology include:

- · quoted prices for similar assets or liabilities in active markets;
- · quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement

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

The School Board holds a certificate of deposit with a fair value in the amount of \$79,846 based on the Level 1 fair value hierarchy.

The certificate of deposit matured in August 2021 and was renewed to mature in August 2022.

Receivables

Receivables consisted of the following at June 30, 2022:

	G	General	Title I	School Food Service	Sales Tax	Education tabilization Fund	Debt Service	Nonmajor overnmental	Total
Taxes:									
Ad Valorem	\$	9,915	\$ -	\$ -	\$ 5,383	\$	\$ 4,217	\$ 198	\$ 19,713
Sales Tax		-	-	-	609,906	-	-	-	609,906
Intergovernmental - grants:									
Federal		-	1,285,408	466,042	-	5,282,261	-	1,290,146	8,323,857
State		7,722	-	-	-	-	-	103,517	111,239
Other		37,725	-	378	-	-	-	2	38,105
Total	\$	55,362	\$ 1,285,408	\$ 466,420	\$ 615,289	\$ 5,282,261	\$ 4,217	\$ 1,393,863	\$ 9,102,820

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

The following is a summary of changes in capital assets during the year ended June 30, 2022:

	Beginning								Ending
	Balance	,	Additions	1	Deletions	Ad	Adjustments		Balance
Governmental activities									
Capital assets not being depreciated									
Land	\$ 319,013	\$	-	\$	-	\$	-	\$	319,013
Total capital assets not being depreciated	319,013		-		-		-		319,013
Capital assets being depreciated									
Buildings and improvements	38,105,548		-		-		-		38,105,548
Furniture and equipment	10,008,018		667,432		-		-		10,675,450
Total capital assets being depreciated	48,113,566		667,432		-		-		48,780,998
Less accumulated depreciation									
Building and improvements	26,819,790		840,637		-		-		27,660,427
Furniture and equipment	7,305,742		456,724		-		-		7,762,466
Total accumulated depreciation	34,125,532		1,297,361		-		-		35,422,893
Total capital assets being depreciated, net	13,988,034		(629,929)		-		-		13,358,105
Governmental activities capital assets, net	\$ 14,307,047	\$	(629,929)	\$	4	\$	-	\$	13,677,118

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

Instructional services:	
Regular programs	\$ 22,382
Special education programs	3,019
Vocational programs	3,542
Other instructional programs	3,009
Special programs	65,326
Support services:	
Pupil support services	1,437
Instructional staff support services	803
General administration	322
Business services	158
Plant services	894,204
Student transportation services	284,101
Central services	775
Noninstructional services:	
Food service operations	18,283
Total depreciation expense	\$ 1,297,361

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities

In fiscal year 2012, the School Board issued \$7,775,000 in general obligation bonds to provide resources for the refunding of \$7,550,000 in Series 2003 General Obligation Bonds. The amount paid to the escrow agent exceeded the bonds refunded by \$472,537. This amount is being netted against the new bonds and amortized over the remaining life of the refunded bonds, which is shorter than the life of the new bonds. The School Board refunding resulted in a reduction of \$545,863 in future debt service payments for an economic benefit of \$427,076. The amount outstanding as of June 30, 2022 was \$3,575,000.

In fiscal year 2016, the School Board issued \$3,725,000 in general obligation refunding bonds to advance refund \$3,565,000 of the Series 2007 general obligation bonds to reduce total future debt service payments. The net proceeds of the bonds of \$3,714,615 (including a \$110,938 premium and after \$121,323 in issuance costs) were placed in an irrevocable trust with an escrow agent for the purpose of generating resources for all future debt service payments of the refunded general obligation bonds. The refunding resulted in a present value savings of \$454,097. The amount outstanding as of June 30, 2022 was \$2,590,000.

In fiscal year 2016, the School Board issued \$1,270,000 of Limited Tax Bonds, Series 2016 of Consolidated School District No.12 for the purpose of refunding and extending the School Board's outstanding \$925,000 Limited Tax Bonds, Series 2014 and acquiring, constructing, improving or equipping public elementary and secondary schools as authorized in the proposition approved by the voters on May 3, 2014, and paying the costs of issuance of the bonds. The amount outstanding as of June 30, 2022 was \$955,000.

In fiscal year 2022, the School Board issued \$2,150,000 in general obligation bonds to provide resources for the refunding of \$2,050,000 in Series 2012 General Obligation Bonds. The amount of refunding resulted in \$68,689 of deferred outflow of bond refunding and amortized over the remaining life of the refunded bonds, which is shorter than the life of the new bonds. The School Board refunding resulted in a reduction of \$70,000 in future debt service payments. The amount outstanding as June 30, 2022 was \$2,125,000.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities (Continued)

Long-term liability activity for the year ended June 30, 2022, was as follows for governmental activities:

	Beginning			Ending	Due Within
	Balance	Additions	Deletions	Balance	One Year
Governmental Activities					
Bonds payable:					
General obligation debt	\$ 9,210,000	\$ 2,150,000	\$ 3,070,000	\$ 8,290,000	\$ 765,000
Limited tax bond	1,010,000	-	55,000	955,000	55,000
Bond premium	107,566	-	42,310	65,256	6,526
Other liabilities:					
Financed purchase debt	1,186,725	-	193,763	992,962	199,900
Compensated absences	938,097	597,078	610,309	924,866	-
Net pension liability	35,402,925	-	17,696,328	17,706,597	
Other post employment benefits	67,839,910	-	16,919,503	50,920,407	-
Total long-term obligations	\$ 115,695,223	\$ 2,747,078	\$ 38,587,213	\$ 79,855,088	\$ 1,026,426

Compensated absences, other post-employment benefits and the net pension liability will be liquidated in future periods primarily by the General Fund for governmental activities.

The following is a summary of governmental activities bonds payable for the year ended June 30, 2022:

	Original		Range of		
Bonds Payable	Issue	Interest Rate	Maturities	Principal	Interest
Limited Tax Bonds					
Series 2016, refunding	\$ 1,270,000	1.50 - 5.00%	2016 - 2035	\$ 955,000	\$ 332,053
General Obligation Bonds					
Series 2011, refunding	\$ 7,775,000	3.17%	2012 - 2028	3,575,000	407,979
Series 2016, refunding	\$ 3,725,000	1.00 - 3.00%	2016 - 2032	2,590,000	444,125
Series 2021, refunding	\$ 2,150,000	1.50%	2022 - 2029	2,125,000	223,125
Total				\$ 9,245,000	\$ 1,407,282

Debt service requirements on all School Board bonds and certificates of indebtedness outstanding are as follows:

Year Ending June 30,	Principa		Principal Interest		Principal Int		Total
2023	\$	820,000	\$	257,388	\$ 1,077,388		
2024		845,000		233,786	1,078,786		
2025		870,000		209,406	1,079,406		
2026		900,000		183,076	1,083,076		
2027		930,000		155,710	1,085,710		
2028-2030		4,610,000		340,767	4,950,767		
2033-2035		270,000		27,150	297,150		
Total	\$	9,245,000	\$	1,407,282	\$ 10,652,282		

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

The balances of deferred inflows and outflows of resources as of June 30, 2022 consist of:

	Defer		Def	ferred Inflows
Net Pension Liabilities (GASB 68):				
Teachers' Retirement System of Louisiana (TRSL)	\$	7,081,778	\$	13,319,818
Louisiana School Employees' Retirement System (LSERS)		639,464		1,186,422
Other Post-employment Benefits (GASB 75)		9,946,839		14,555,625
Bond refunding		60,103		-
Total	\$	17,728,184	\$	29,061,865

Interfund Receivables, Payables and Transfers

Individual internal balance amounts at June 30, 2022, are as follows:

<u></u>	Due From	Due To		
Major Funds:				
General Fund	\$ 4,381,554	\$	146,862	
Special Revenue:				
Title I	31,296		1,212,324	
Sales Tax	3,337,780		-	
School Food Service	12,557		-	
Education Stabilization Fund	-		5,132,675	
Non-major Funds:				
Special Revenue:				
Special Education	-		606,123	
Title II	-		159,347	
JAG / Vocational Education	-		65,463	
LA 4	-		175	
8 (g)	-		9,463	
21st Century Grant	_		322,093	
ROTC	-		1,798	
East Morehouse Parish Tax District	4		10,678	
Miscellaneous Grants			96,186	
Total	\$ 7,763,187	\$	7,763,187	

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables, Payables and Transfers (Continued)

Transfers to/from other funds for the year ended June 30, 2022 were as follows:

Operating Transfers		In	Out	Net
Major Funds				
General Fund	\$	1,625,644 \$	-	\$ 1,625,644
Title I		-	(291,653)	(291,653)
Sales Tax		-	-	-
School Food Service		-	-	-
Debt Service		-	-	-
Education Stabilization Fund		-	(1,145,246)	(1,145,246)
Nonmajor Funds				
Special Education		-	(97,392)	(97,392)
21st Century Grant		-	(73,802)	(73,802)
Rural Education Achievement		-	-	-
East Morehouse Parish Tax District		-	-	-
Miscellaneous Grants		-	(17,551)	(17,551)
Total	\$	1,625,644 \$	(1,625,644)	\$

Finance Purchases

In June 2016, the School Board entered into a noncancellable finance purchase agreement for \$1,361,730 for the purpose of acquiring fifteen new school buses that expires in 2025. The net book value at June 30, 2022 was \$358,436.

In July 2018, the School Board entered into a noncancellable finance purchase agreement for \$788,495 for the purpose of acquiring seven new school buses that expires in July 2027. The net book value at June 30, 2022 was \$398,273.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Finance Purchases (Continued)

Future minimum lease payments under capital leases are as follows:

Year ending June 30,

2022	225 000
2023	\$ 235,000
2024	235,000
2025	235,000
2026	235,000
2027	78,850
Thereafter	78,851
Total minimum lease payments	1,097,701
Less amount representing interest	104,739
Present value of minimum lease payments	\$ 992,962

Ad Valorem Taxes

The Sheriff of Morehouse Parish, as provided by State law, bills and collects property taxes on behalf of the School Board using the assessed values determined by the tax assessor of Morehouse Parish. For the year ended June 30, 2022, taxes of 58.37 mills were levied and were dedicated as follows:

	Authorized	Levied	Expiration
	Millage	Millage	Date
Parish-wide taxes:			
Constitutional	5.96	5.96	Statutory
Maintenance and operation	6.45	6.45	2024
Special leeway maintenance and operations	6.01	6.01	2024
Special 1998 capital program tax	10.00	10	2023
General obligation bonds debt service	Variable	10.00	2028
District taxes:			
School District No. 12 Consolidated	10.00	10	2048
East Morehouse School District	9.95	9.95	2024
Total millages		58.37	

The School Board's portion of the total taxes originally levied was \$7,492,523. The School Board collected \$6,639,420 through June 30, 2022, of which a nominal amount was for prior year(s) levies. Approximately 85% of the homestead exemption is not appropriated by the State of Louisiana and therefore is not collected. Collections are remitted to the School Board monthly.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Ad Valorem Taxes (Continued)

Below is the property tax calendar in effect for the year ended June 30, 2022:

Property Tax Calendar

	Parish (Except City of Bastrop)	City of Batrop
Tax bills mailed	December 1, 2021	December 2021
Total taxes are due	December 31, 2021	December 31, 2021
Lien date	July 2021	July 2021
Penalties and interest are added	January 1, 2022	January 1, 2022
Tax sale date(s)	June 2022	June 2022

Assessed values are established by the Morehouse Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	25% public service properties, excluding la
10% residental improvements	15% other property
15% electronic cooperative properties, excluding land	

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

Note 3: PENSION AND RETIREMENT PLANS

The School Board maintains two contributory cost-sharing multiple-employer defined benefit plans (Plans) that provide for retirement, deferred retirement option (DROP), disability, and survivor's benefits as described below. These Plans are:

Teachers' Retirement System of Louisiana (TRSL) Louisiana School Employees' Retirement system (LSERS)

Each plan is administered by a separate board of trustees. Each board of trustees is empowered to hire its own attorneys and consultants at the pension fund's expense, and to bring and defend lawsuits. The authority to establish and amend the benefit terms of TRSL and LSERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL and LSERS each issue publicly available financial reports that can be obtained at www.trsl.org, www.lsers.net, and www.lasersonline.org, respectively.

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Basis of Accounting

The Plans' financial statements are prepared in conformity with accounting principles generally accepted in the United States of America using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred. Member and employer contributions are recognized when due, pursuant to formal commitments as well as statutory or contractual requirements. State appropriations are recognized in the period appropriated. Purchases and sales of securities are reflected on the trade date. Dividend income is recorded on the exdividend date. Interest income is recorded as earned on the accrual basis. Administrative costs are funded through investment earnings and are subject to budgetary control by the Board of Trustees and approval of the Joint Legislative Committee on the Budget. Benefits and refunds are recognized when due and payable in accordance with the terms of the System.

Method Used to Value Investments (TRSL)

GASB Statement No. 72 (GASB 72) was implemented for fiscal year ended June 30, 2016. As required by GASB 72, investments are reported at fair value which is described as an exit price. This statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data is available to measure fair value. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs - other than quoted prices – included within Level 1 that are observable for the asset or liability, whether directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. These disclosures are organized by type of asset or liability. GASB 72 also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent). These disclosures are located in Note 1.

Short-term investments are reported at market value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rate.

All derivative financial instruments are reported at fair value in the Statements of Fiduciary Net Position. Gains and losses are reported in the Statements of Changes in Fiduciary Net Position as net appreciation (depreciation) in fair value of investments during the period the instruments are held and when the instruments are sold or expire. The nature and use of derivative instruments is discussed in Note 1.

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Method Used to Value Investments (TRSL) (Continued)

The fair value of investments that are organized as limited partnerships and have no readily ascertainable fair value (such as private equity, real estate, and tangible assets) has been recorded based on the investment's capital account balance which is reported at fair value, at the closest available reporting period, and adjusted for subsequent contributions, distributions, and management fees.

Investments that do not have an established market are reported at estimated fair value. Unrealized gains and losses are included as investment earnings in the Statements of Changes in Fiduciary Net Position.

Because of the inherent uncertainties in estimating fair values, it is at least reasonably possible that the estimates will change in the near term.

Method Used to Value Investments (LSERS)

The System's investments are reported at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application, which requires investments to be valued at fair value, described as an exit price, using valuation techniques that are appropriate under the circumstances and for which sufficient data is available. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. This statement established a hierarchy of inputs to valuation techniques used to measure fair value which includes three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs – other than quoted prices – that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability.

Fair value of short-term investments approximates cost. Fair value of securities traded on a national or international exchange is calculated using the last reported sales price at current exchange rates. Fair value of mutual funds not traded on a national or international exchange is calculated using the net asset value reported by the mutual funds. Fair value of investments in partnerships is calculated as the Fund's percentage of ownership of the partner's capital reported by the partnership.

The System reports securities lent through the securities lending program as assets. Cash received as collateral on securities lending transactions and investments made with that cash are reported as assets. Liabilities resulting from securities lending transactions are reported as well.

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Method Used to Value Investments (LSERS) (Continued)

The System invests in foreign currency forward contracts. The changes in the market value of these investment derivative instruments are reported as gains and losses in the period in which the change occurs.

The real estate held for investment consists of the leasing of office space and in real estate funds. The investments are valued at fair market value which is based upon appraised value.

Funding Requirements (TRSL)

The employer contribution rate is established annually under LA R.S. 11:101 - 11:104 by the Public Retirement Systems Actuarial Committee (PRSACX) taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2022 are as follows:

	Contribution Rates				
TRSL Sub Plan	School Board	Employees			
K-12 Regular Plan	26.0%	8.0%			
Plan A	26.0%	9.1%			
Plan B	26.0%	5.0%			

The School Board's contractually required composite contribution rate for the year ended June 30, 2022, was 26.0% 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 \$3,723,743 for the year ended June 30, 2022.

Funding Requirements (LSERS)

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2021 was 28.5%. The actual employer rate for the year ended June 30, 2021 was 28.7%. A difference may exist due to the State statute that requires the rate to be calculated in advance.

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Funding Requirements (LSERS)

Contributions to the pension plan from the School Board were \$551,431 for the year ended June 30, 2022.

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

The net pension liabilities were measured as of June 30, 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 for TRSL was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Schools Board's proportion of the net pension liability of LSERS was based on the School Board's historical contributions.

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2022, and the change compared to the June 30, 2021 proportion:

	let Pension lity at June 30, 2022	Proportion at June 30, 2022	Increase (Decrease) to June 30, 2021 Proportion
LSERS	\$ 2,671,709	0.562090%	-0.019654%
TRSL	15,034,888	0.281620%	0.005370%
	\$ 17,706,597		

The following table reflects the School Board's recognized pension expense plus the School Board's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2022:

	Pens	ion Expense	An	nortization	Total
LSERS	\$	126,325	\$	(1,709)	\$ 124,616
TRSL		(63,319)		(718,565)	(781,884)
	\$	63,006	\$	(720,274)	\$ (657,268)

Note 3: PENSION AND RETIREMENT PLANS (Continued)

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

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

LSERS	Deferred Outflows of Resources		Deferred Inflows of Resources	
Experience	\$	-	\$	38,821
Investment earnings		-		958,685
Assumptions		88,033		-
Change in proportions		-		188,916
Contributions made after the measurement date		551,431		-
	\$	639,464	\$	1,186,422

TRSL	Deferred Outflows of Resources		Deferred Inflows of Resources	
Experience	\$	76,790	\$	227,336
Investment earnings		-		10,148,984
Assumptions		1,463,533		-
Change in proportions		1,817,712		2,943,498
Contributions made after the measurement date		3,723,743		-
	\$	7,081,778	\$	13,319,818

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

	Deferred Outflows of Resources		Deferred Inflows of Resources	
LSERS	\$ 639,464	\$	1,186,422	
TRSL	7,081,778		13,319,818	
	\$ 7,721,242	\$	14,506,240	

Note 3: PENSION AND RETIREMENT PLANS (Continued)

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

The following table lists the pension contributions made subsequent to the measure period for each pension plan:

		Subsequent
LSERS	C	ontributions
	\$	551,431
TRSL		3,723,743
	\$	4,275,174

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2022.

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

June 30,	2023	2024	2025	2026	Total
TRSL	\$ (2,274,243)	\$ (2,872,806)	\$ (1,937,411)	\$ (2,877,324)	\$ (9,961,784)
LSERS	(284,149)	(167,118)	(244,944)	(402,178)	(1,098,389)
	\$ (2,558,392)	\$ (3,039,924)	\$ (2,182,355)	\$ (3,279,502)	\$ (11,060,173)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2022, are as follows:

	LSERS	TRSL
Valuation Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	Closed
Actuarial Assumptions:		
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	7.00% net of investment expenses	7.40% net of investment expenses
Inflation Rate	2.50%	2.30% per annum.
Projected Salary Increases	3.25% based on a 2013-2017 experience study of the System's members	3 1% - 4 6% varies depending

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Actuarial Assumptions (Continued)

LSERS TRSL

Cost of Living Adjustments Cost of living raises may be granted from the None

Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligbility requirements outlined by ACT 399 of 2014.

Mortality

Mortality rates based on the RP-2014 Healthy Mortality rates based on MP-2017 generational Annuitant Tables, the RP-2014 Sex Distinct improvement table with continued future Exmployee Tables, and the RP-2014 Sex Distinct mortality improvement projected using the MP-Disabled Tables. 2017 generational mortality improvement tables.

Termination, Disability, and Retirement

Termination, disability, and retirement Termination, assumptions were projected based on a five-assumptions were projected based on a five-year year (2012-2017) experience study of the (2012-2017) experience study of the System's System's members.

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 buildingblock model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

disability, and retirement members.

The long-term expected rate of return on pension The long-term expected rate of return on pension plan investments was determined using a buildingblock method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Actuarial Assumptions (Continued)

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2021:

Long-Term Expected Portfolio Target Allocation Real Rate of Return Asset Class TRSL LSERS TRSL LSERS Domestic equity 27.0% 39.0% 4.60% 1.07% International equity 5.54% 19.0% Domestic fixed income 13.0% 26.0% 0.69% 2.93% International fixed income 5.5% 1.50% Private assets 25.5% 8.62% Alternative investments 10.0% 23.0% 4.45% 1.95% Real assets 12.0% 0.69% Total n/a 100.0% 100.0% 6.38% International fixed income 2.00% **Expected Arithmetic Nominal Return** 8.38%

n/a – amount not provided by Retirement System

Discount Rate

The discount rates used to measure the total pension liability for TRSL and LSERS, were 7.40% and 6.90%, respectively, for the year ended June 30, 2022.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and member rate. Based on those assumptions, each of the pension plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 3: PENSION AND RETIREMENT PLANS (Continued)

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

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

				Current		
	1.0	0% Decrease	D	iscount Rate	1.	0% Increase
LSERS	•		-		-	
Discount rate		5.90%		6.90%		7.90%
Share of NPL	\$	4,114,572	\$	2,671,709	\$	1,438,372
TRSL						
Discount rate		6.40%		7.40%		8.40%
Share of NPL	\$	24,881,215	\$	15,034,888	\$	6,753,091

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 \$121,521 for its participation in TRSL. LSERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS for the year ended June 30, 2022.

Pension Plans Fiduciary Net Position

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

As of June 30, 2022, the School Board had no payables due to the pension plans. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions.

Note 4: OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region.

The OGB plan is a fully insured, multiple employer arrangement and has been deemed to be an agent multiple-employer plan (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement from either the Teachers' Retirement System of Louisiana (TRSL) or the Louisiana School Employees' Retirement System (LSERS). The 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; age 60 and 5 years of service. For membership after January 1, 2011, the earliest allowable retirement age without actuarial reduction in benefits is age 60.

Life insurance coverage under the OGB program is available to retirees by election and the employer pays 50% of the cost of the retiree life insurance based on the blended active/retired OGB rates. Since GASB 45 requires the use of "unblended" rates, the 1994 Group Annuity Reserving mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Contribution Rates

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Net OPEB Liability

The components of the net other post-employment benefits (OPEB) liability of the School Board at June 30, 2022, were as follows:

Total OPEB liability	\$ 50,920,407
Plan fiduciary net position	-
School Board's net OPEB liability	\$ 50,920,407

The School Board's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Note 4: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.00%
Discount rates	3.54%
Healthcare cost trend rates	5.50%

Mortality Rate

The RP-2014 mortality table is used, without projections, and with TRSL modifications. This is a recent published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has been used since this table contains sufficiently conservative margin for the population involved in this valuation.

Discount Rate

Although this plan is a defined benefit OPEB plan, which meets the requirements of paragraph 4 of GASB Statement No. 75, the funded ratio is 0% and the total actual and deemed employer contributions are well below the actuarially determined contribution. We have therefore used a discount rate which would be applicable had the requirements of paragraph 4 not been met. The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

Changes in the Net OPEB Liability

		Increases (Decreases)								
	-	F	Plan							
		Fid	uciary							
	Total	OPEB	Net		Net OPEB					
	Liab	ility Po	sition		Liability					
Balance at June 30, 2020	\$ 67,8	339,910 \$	-	\$	67,839,910					
Service cost	-	730,059	-		730,059					
Interest on total OPEB liability	1,4	135,648	-		1,435,648					
Effect on economic/demographic gains or losses	(5,2	182,244)	-		(5,182,244)					
Effect of assumptions changes or inputs	(11,	153,553)	-		(11,153,553)					
Benefit payments	(2,7	749,413)	-		(2,749,413)					
Net change	(16,9	919,503)	-		(16,919,503)					
Balance at June 30, 2021	\$ 50,9	920,407 \$	-	\$	50,920,407					

Note 4: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity of the net OPEB liability to changes in the discount rate

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

		(2.54%)	Rate (3.54%)			(4.54%)
Net OPEB liability	\$	61,540,025	\$	50,920,407	\$	42,723,430

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.50%) or 1-percentage point higher (6.50%) than the current healthcare trend rates:

Net OPEB liability		0% Decrease (4.50%)	 rrent Trend ate (5.50%)	1.0% Increase (6.50%)		
		43,754,526	50,920,407	\$	60,288,510	

OPEB expense, 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 \$4,870,684. At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred		
	Outflows of Resources			erred Inflows f Resources
Differences between expected and actual experience	\$	1,830,407	\$	5,273,182
Changes in assumptions		8,116,432		9,282,443
Total	\$	9,946,839	\$	14,555,625

Note 4: OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB (Continued)

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

Year ended June 30:

rear erraea same sor		
	2023	\$ (1,323,915)
	2024	\$ (1,323,915)
	2025	\$ (2,111,114)
	2026	\$ 150,158
	2027	\$ -
	Thereafter	\$ _

Payable to the OPEB Plan

At June 30, 2022, the School Board reported no payables for outstanding contributions to the OPEB Plan required for the year ended June 30, 2022.

Funded Status and Funding Progress

The School Board has not made any contributions to a postemployment benefits plan trust. Therefore, the plan has no assets, and has a funded ratio of zero.

Note 5: RISK MANAGEMENT

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

Note 6: LITIGATION AND CONTINGENCIES

The School Board is involved as a defendant in certain litigation through the normal course of its operations. Management and legal counsel for the School Board believe that the potential claims against the School Board, not covered by insurance, would not adversely affect the School Board's financial position. As a result, no amounts have been accrued in the financial statements as of June 30, 2022.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the School Board expects such amounts not recorded, if any to be immaterial.

Note 7: PRIOR PERIOD ADJUSTMENT

In fiscal year 2022, it was identified that a salary accrual was not properly reversed that caused an understatement of fund balances for the general fund, sales tax funds and school food service funds. The salary accrual was overstated by \$386,199 for the general fund, \$103,655 for the sales tax funds, and \$21,811 for the school food service funds. Beginning fund balance for the general fund was increased to \$1,691,905; increased to \$5,635,619 for the sales tax funds; and increased to \$3,190,397 for the school food service funds.

REQUIRED SUPPLEMENTARY INFORMATION

Morehouse Parish School Board Budgetary Comparison Schedule – General Fund June 30, 2022

		Budgeted	l Amou	ınts	Actual Amounts		Variance With Final Budget	
		Original Budget		Final Budget		(Budgetary Basis)	Over (Under)	
Budgetary Fund Balance, Beginning	\$	1,691,905	\$	1,691,905	\$	1,691,905	\$	-
Resources (inflows)								
Local sources								
Ad valorem tax		3,050,733		2,947,849		2,947,848		(1)
Interest earnings		2,707		1,944		2,258		314
Other		(762,843)		(551,983)		429,358		981,341
State sources		, , ,						
Equalization		17,054,125		17,524,705		16,319,945		(1,204,760
Other		268,524		170,567		181,112		10,545
Federal sources		-		28,492		28,492		-
Other sources								
Transfers in		1,606,737		1,607,818		1,625,644		17,826
Total resources		21,219,983		21,729,392		21,537,113		(192,279
Amounts available for appropriations		22,911,888		23,421,297		23,229,018		(192,279
Charges to appropriations (outflows)								
Current								
Instruction								
Regular programs		6,621,384		6,690,456		5,799,813		(890,643
Special education programs		2,367,503		2,595,628		2,614,438		18,810
Vocational programs		414,271		286,188		302,517		16,329
Other instructional programs		966,119		1,121,282		1,146,497		25,215
Special programs		106,463		116,833		117,192		359
Support Services								
Pupil support services		1,495,317		1,408,256		1,408,254		(2.00
Instructional staff support		528,004		580,405		582,428		2,023
General administration		720,269		711,013		711,013		_,0_0
School administration		1,508,910		1,450,528		1,450,879		351
Business services		775,781		724,445		828,621		104,176.00
Plant services		2,618,550		2,781,978		2,793,458		11,480
Student transportation services		1,944,495		1,871,208		1,855,128		(16,080
Central services		568,455		450,009		450,014		5
Food service operations		154,239		143,006		143,005		(1
Capital outlay				21,603		21,603		- '-
Debt service				21,003		_1,000		
Principal retirement		208,863		134,045		134,045		_
Interest and bank charges		99,205		22,106		22,106		-
Other sources (uses)		33,203		22,100		22,100		
Transfers out				271,934				(271,934
Total charges to appropriations		21,097,828		21,108,989		20,381,011		(727,978
Budgetary Fund Balances, Ending	\$	1,814,060	\$	2,312,308	\$	2,848,007	\$	535,699

Morehouse Parish School Board Budgetary Comparison Schedule – Title I June 30, 2022

	Budgeted	d Amou	ınts		Actual mounts		riance With
	Original Budget		Final Budget	(Budgetary Basis)		Over (Under)	
Budgetary Fund Balance, Beginning	\$ 	\$	-	\$	-	\$	-
Resources (inflows)							
Federal sources	4,083,654		2,410,619		2,371,097		(39,522)
Total federal sources	4,083,654		2,410,619		2,371,097		-
Other sources							
Transfers in	-		-		-		-
Total other sources	-	U.			-		-
Total resources	 4,083,654		2,410,619		2,371,097		(39,522)
Amounts available for appropriations	4,083,654		2,410,619		2,371,097		(39,522)
Charges to appropriations (outflows)							
Current							
Instruction							
Special programs	2,949,413		1,453,673		1,421,478		(32,195)
Support services							
Instructional staff support	595,864		563,325		563,325		-
Student transportation services	-		-		-		-
Central services	116,663		126,836		126,836		-
Other uses							
Transfers out	421,714		266,785		259,458		(7,327.00)
Total charges to appropriations	4,083,654		2,410,619		2,371,097		(39,522)
Budgetary Fund Balances, Ending	\$ _	\$	_	\$	_	\$	_

Morehouse Parish School Board Budgetary Comparison Schedule – School Food Service June 30, 2022

	Pudgatos	l Amou	unto		Actual Amounts		riance With
	Original Budget		d Amounts Final Budget		Budgetary Basis)	Final Budget Over (Under)	
Budgetary Fund Balance, Beginning	\$ 3,190,397	\$	3,190,397	\$	3,190,397	\$	-
Resources (inflows)							
Local sources							
Food services	10,494		4,608		4,608		-
Other	30,000		9,011		21,495		
State sources							
Other local revenue	30,409		37,672		34,609		(3,063)
Federal sources	2,293,974		2,123,040		2,312,326		189,286
Total resources	2,364,877		2,174,331		2,373,038		186,223
Amounts available for appropriations	5,555,274		5,364,728		5,563,435		186,223
Charges to appropriations (outflows)							
Current							
Support services							
Plant services	-		122		123		1
Non-Instructional services							
Food service operations	2,292,666		1,486,733		2,611,235		1,124,502
Total charges to appropriations	2,292,666		1,486,855		2,611,358		1,124,503
Budgetary Fund Balances, Ending	\$ 3,262,608	\$	3,877,873	\$	2,952,077	\$	(938,280)

Morehouse Parish School Board Budgetary Comparison Schedule – Sales Tax June 30, 2022

		Budgeted	ınts		Actual Amounts	Variance With Final Budget		
	Original Budget		Final Budget		(Budgetary Basis)		Over (Under)	
Budgetary Fund Balance, Beginning	\$	5,635,619	\$	5,635,619	\$	5,635,619	\$	-
Resources (inflows)								
Local sources								
Sales and Use Taxes		6,701,031		7,725,436		7,776,720		51,284
Renewable tax		3,047,585		3,032,276		1,469,163		(1,563,113)
Interest on Investments		2,343		3,260		3,260		-
Other Local Revenue		-		-,		4,800		4,800
Total resources		9,750,959		10,760,972		9,253,943		(1,507,029)
Amounts available for appropriations		15,386,578		16,396,591		14,889,562		(1,507,029)
Charges to appropriations (outflows)								
Current								
Instructional services								
Regular programs		2,375,432		2,486,907		3,486,904		999,997
Special education programs		664,712		749,142		749,147		5
Vocational programs		117,826		106,736		106,735		(1)
Other instructional programs		96,639		157,223		157,224		1
Special programs		147,426		175,008		175,010		2
Adult/Continuing education programs		1,179		1,266		1,266		-
Support services								
Pupil support services		362,084		388,092		388,095		3
Instructional staff support		188,953		320,230		320,233		3
General administration		268,959		216,934		216,936		2
School administration		337,840		363,934		363,936		2
Business services		132,318		164,414		164,412		(2)
Plant services		331,242		521,729		521,727		(2)
Student transportation services		411,193		422,249		422,248		(1)
Central services		70,681		134,771		134,771		-
Other support services		1,984		2,131		2,131		-
Noninstructional services								
Food service operations		239,620		307,898		307,903		5
Debt service						E6 746		F0 345
Principal		-		-		59,718		59,718
Interest Conital outlow		24.720		121 252		19,132		19,132
Capital outlay		24,720		131,252		52,402		(78,850)
Transfers out		2,100,000		2,500,000		1,500,000		(1,000,000)
Total charges to appropriations		7,872,808		9,149,916		9,149,930		14

Morehouse Parish School Board Notes to Budgetary Comparison Schedule June 30, 2022

Note A – BUDGETS

General Budget Policies

The School Board utilized the following procedures in establishing the budgetary data reflected in the financial statements:

In July, the Superintendent submits to the School Board proposed annual appropriated budgets for the General Fund and the Special Revenue Funds for the fiscal year commencing July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopts a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. The budget is revised periodically throughout the year, when deemed appropriate, but a balanced budget is always approved.

All budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. All budgets are operational at the departmental or project level. The Superintendent of the School Board is authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval.

Budget Basis of Accounting

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

Morehouse Parish School Board Notes to Budgetary Comparison Schedule June 30, 2022

Note B - Budget to GAAP Reconciliation

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

Teremos and expenditores.	G	General Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "available for appropriation"		
from the Budgetary Comparison Schedule	\$	23,494,462
The fund balance at the beginning of the year is a budgetary resource		
but is not a current year revenue for financial reporting purposes		(1,691,905)
State equalization revenue received and transferred to charter schools		
but is not a current year expense for financial reporting purposes		7,382,992
Other financing sources including proceeds from sale of assets, proceeds from		
issuance of debt and transfers in of indirect costs from other funds		(1,628,100)
and Changes in Fund Balances - Governmental Funds	\$	27,557,449
Charges to appropriations:		
Actual amounts (budgetary basis) "Total charges to appropriations"		
from the Budgetary Comparison Schedule	\$	20,381,012
State equalization revenue received and transferred to charter schools		
but is not a current year expense for financial reporting purposes		7,382,992
Other financing sources including proceeds from sale of assets, proceeds from		
issuance of debt and transfers in of indirect costs from other funds		-
Total expenditures as reported on the Statement of Revenues, Expenditures,		
and Changes in Fund Balances - Governmental Funds	\$	27,764,004

Morehouse Parish School Board Notes to Budgetary Comparison Schedule June 30, 2022

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:		
		Title I
Sources/inflows of resources:		
Actual amounts (budgetary basis) "available for appropriation"		
from the Budgetary Comparison Schedule	\$	2,403,292
Other financing sources		-
Total revenues as reported on the Statement of Revenues, Expenditures,		
and Changes in Fund Balances - Governmental Funds	\$	2,403,292
Charges to appropriations:		
Actual amounts (budgetary basis) "Total charges to appropriations"	_	
from the Budgetary Comparison Schedule	\$	2,403,292
Other financing uses including transfers out of direct costs to General Fund		(291,653)
Total expenditures as reported on the Statement of Revenues, Expenditures,		
and Changes in Fund Balances - Governmental Funds	\$	2,111,639

Morehouse Parish School Board Notes to Budgetary Comparison Schedule June 30, 2022

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures: School Food Service Sources/inflows of resources: Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule 5,563,435 The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes (3,190,397)Other financing sources Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 2,373,038 Charges to appropriations: Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule 2,611,358 Other financing uses Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 2,611,358 Sales Tax Sources/inflows of resources: Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule 14,889,562 The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes (5,635,619)Other financing sources Total revenues as reported on the Statement of Revenues, Expenditures, \$ and Changes in Fund Balances - Governmental Funds 9,253,943 Charges to appropriations: Actual amounts (budgetary basis) "Total charges to appropriations" 9,149,930 from the Budgetary Comparison Schedule Other financing uses - transfer to debt service fund Total expenditures as reported on the Statement of Revenues, Expenditures,

9,149,930

and Changes in Fund Balances - Governmental Funds

Morehouse Parish School Board Schedule of Changes in Net OPEB Liability and Related Ratios June 30, 2022

For the Year Ended June 30,	2022	2021	2020	2019	2018		2017
Total OPEB Liability							
Service cost	\$ 730,059	\$ 802,534	\$ 647,207	\$ 649,516	\$ 624,535		N/A
Interest	1,435,648	1,411,874	1,864,401	1,934,322	1,908,695		N/A
Differences between expected and actual experience	(5,182,244)	2,630,348	(2,113,796)	1,030,469	(741,595)		N/A
Changes of assumptions	(11,153,553)	518,447	13,049,794	2,664,625	(2,063,878)		N/A
Benefit payments	(2,749,413)	(2,818,027)	(2,842,936)	(3,142,699)	(2,978,862)	_	N/A
Net change in total OPEB liability	(16,919,503)	2,545,176	10,604,670	3,136,233	(3,251,105)		N/A
Total OPEB liability - beginning	67,839,910	65,294,734	54,690,064	51,553,831	54,804,936		54,804,936
Total OPEB liability - ending (a)	\$ 50,920,407	\$ 67,839,910	\$ 65,294,734	\$ 54,690,064	\$ 51,553,831	\$	54,804,936
Plan fiduciary net position - beginning	\$ 	\$ -	\$ -	\$	\$ -	\$	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$	\$	-
Net OPEB liability - ending (a)-(b)	\$ 50,920,407	\$ 67,839,910	\$ 65,294,734	\$ 54,690,064	\$ 51,553,831	\$	54,804,936
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%		0%
Covered payroll	\$ 9,579,777	\$ 12,564,557	\$ 12,081,305	\$ 14,933,849	\$ 14,359,470	\$	14,359,470
Net OPEB liability as a percentage of covered payroll	532%	540%	540%	366%	359%		382%

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

Morehouse Parish School Board Schedule of Employer's Proportionate Share of Net Pension Liability June 30, 2022

Fiscal Year*	Employer's proportion of the net pension liability (asset)	of t	Employer's portionate share the net pension ability (asset)	Employer's ered-employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Louisiana School Emplo	oyees' Retirement System	1				
2021	0.562090%	\$	2,671,709	\$ 1,771,882	151%	82.5%
2020	0.581744%	\$	4,674,062	\$ 1,825,571	256%	69.7%
2019	0.624025%	\$	4,368,560	\$ 1,861,125	235%	62.5%
2018	0.578072%	\$	3,862,315	\$ 1,667,469	232%	62.5%
2017	0.591239%	\$	3,783,498	\$ 1,691,871	224%	62.5%
2016	0.615521%	\$	4,643,166	\$ 1,643,169	283%	62.5%
2015	0.621001%	\$	3,693,777	\$ 1,748,324	211%	76.2%
2014	0.582450%	\$	3,599,896	\$ 1,643,169	219%	74.5%
Teachers' Retirement S	system of Louisiana					
2021	0.281620%	\$	15,034,888	\$ 14,340,781	105%	83.9%
2020	0.276250%	\$	30,728,863	\$ 13,678,018	225%	65.6%
2019	0.278850%	\$	27,674,390	\$ 15,385,676	180%	62.5%
2018	0.347510%	\$	34,153,549	\$ 16,738,375	204%	62.5%
2017	0.328990%	\$	33,727,753	\$ 16,790,919	201%	62.5%
2016	0.356450%	\$	41,836,724	\$ 17,210,387	243%	62.5%
2015	0.351020%	\$	37,742,321	\$ 20,688,256	182%	63.7%
2014	0.420120%	\$	42,942,391	\$ 18,044,523	238%	62.5%

^{*}Amounts presented were determined as of the measurement date (previous fiscal year end).

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

Morehouse Parish School Board Schedule of Employers' Contributions June 30, 2022

Fiscal Year*		(a) Statutorily Required ontribution	in r	(b) ontributions elation to the statutorily red contribution	Cont	(a-b) tribution ncy (Excess)	Employer's covered-employee payroll		Contributions as a percentage of covered-employee payroll
Louisiana School Em	nployees' R	etirement System	1						
2022	\$	551,431	\$	551,431	\$	_	\$	1,969,395	28.0%
2021	\$	496,127	\$	496,127	\$	-	\$	1,771,882	28.0%
2020	\$	511,160	\$	511,160	\$	-	\$	1,825,571	28.0%
2019	\$	513,670	\$	513,670	\$	-	\$	1,861,125	27.6%
2018	\$	460,212	\$	460,212	\$	-	\$	1,667,469	27.6%
2017	\$	462,058	\$	462,058	\$	-	\$	1,691,871	27.3%
2016	\$	527,995	\$	527,995	\$	-	\$	1,643,169	33.0%
2015	\$	668,898	\$	668,898	\$	-	\$	1,748,324	30.2%
Teachers' Retiremen	nt System o	of Louisiana							
2022	\$	3,723,743	\$	3,723,743	\$	-	\$	14,776,758	25.2%
2021	\$	3,828,989	\$	3,828,989	\$	-	\$	14,340,781	26.7%
2020	\$	3,652,031	\$	3,652,031	\$	-	\$	13,678,018	26.7%
2019	\$	4,160,476	\$	4,160,476	\$	-	\$	15,385,676	27.0%
2018	\$	5,466,376	\$	5,466,376	\$	-	\$	16,738,375	32.7%
2017	\$	5,197,237	\$	5,197,237	\$	-	\$	16,790,919	31.0%
2016	\$	4,653,492	\$	4,653,492	\$	-	\$	17,210,387	28.0%
2015	\$	5,484,551	\$	5,484,551	\$	-	\$	20,688,256	27.0%

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

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

Morehouse Parish School Board Schedule of Employers' Contributions June 30, 2022

Changes of Benefit Terms

Louisiana School Employees' Retirement System

There were no changes of benefit terms for the year ended June 30, 2021.

Teachers' Retirement System of Louisiana

There were no changes of benefit terms for the year ended June 30, 2021

Changes of Assumptions

Louisiana School Employees' Retirement System

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.125% to 7.0625%, inflation rate was decreased from 2.625% to 2.50% and salary increases were decreased from a range of 3.075% to 5.375% to a rate of 3.25%

For the actuarial valuation for the year ended June 30, 2019, the discount rate was decrease from 7.0625% to 7.0%.

Teachers' Retirement System of Louisiana

For the actuarial valuation for the year ended June 30, 2018, the discount rate was increased from 7.70% to 7.65%.

For the actuarial valuation for the year ended June 30, 2019, the discount rate was increased from 7.65% to 7.55%.

For the actuarial valuation for the year ended June 30, 2020, the discount rate was increased from 7.55% to 7.45%.

For the actuarial valuation for the year ended June 30, 2021, the discount rate was increased from 7.55% to 7.40%.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR FUNDS

Morehouse Parish School Board Nonmajor Funds Fund Descriptions

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds are primarily established for specific educational purposes and funded through the United States Department of Education or the Louisiana Department of Education.

- A. The Special Education funds is a Federal program that provides free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.
- B. Title II is designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.
- C. JAG/Vocational Education is a Federal program to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.
- D. LA4 is a State program to provide financial assistance to develop educational programs for preschool children that are socially and economically deprived.
- E. 8(g) is a grant program used to improve student academic achievement or vocational-technical skills. Other uses are the purchase of superior textbooks and providing support for teachers in critical shortage areas.
- F. 21st Century Grant (Community Learning Center) is a program providing assistance and targeted remediation, academics such as arts and technology, and recreational activities in an effort to provide safe, enriched environments to school communities.
- G. ROTC is a grant providing financial assistance to keep Reserve Officer Training Corps programs in high schools.
- H. East Morehouse Parish Tax District is a fund for ad valorem taxes used for maintenance and construction of school buildings and other school related facilities in East Morehouse Tax District.
- Miscellaneous Grants includes various small federal and state grants, such as Educational Excellence and the Believe and Prepare Grant.

Morehouse Parish School Board Nonmajor Funds Fund Descriptions

Capital Projects Funds:

Capital Projects Funds account for the financial resources received and used for the acquisition, construction or improvements of capital facilities not reported in other governmental funds.

- A. School District 12 Construction is a capital project fund used to acquire and improve sites for school buildings and playgrounds, to purchase, erect, and/or improve school buildings and other school-related facilities, and to acquire the necessary equipment and furnishings for these facilities.
- B. School District 12 Bond Beekman is a capital project fund used for the purpose of acquiring, constructing, improving, maintaining, or equipping public elementary and secondary schools in the district.

Morehouse Parish School Board Combining Balance Sheet – Nonmajor Governmental Funds

June 30, 2022		Special Revenue Funds		Capital Projects Funds		Total Nonmajor overnmental Total
Assets						
Cash and cash equivalents	\$	1,153,607	\$	255,868	\$	1,409,475
Accounts receivable		1,393,863		-		1,393,863
Total assets	\$	2,547,470	\$	255,868	\$	2,803,338
Liabilities and Fund Balances						
Liabilities	\$	16 210	۲.		۲.	16 210
Accounts payable Salaries and wages payable	Ş	16,310 84,655	\$	-	\$	16,310 84,655
Internal balances		1,271,326		-		1,271,326
Other liabilities		103,940		_		103,940
Total liabilities		1,476,231		-		1,476,231
Fund Balances						
Restricted						
Instructional costs		202,225		-		202,225
Student activity funds		340,695		-		340,695
Construction and maintenance costs		528,383		-		528,383
Capital projects		-		255,868		255,868
Total fund balances		1,071,239		255,868		1,327,107
Total liabilities and fund balances	\$	2,547,470	\$	255,868	\$	2,803,338

Morehouse Parish School Board Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

For the year ended June 30, 2022	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Total
Revenues			
Local sources			
Ad valorem tax	\$ 506,829	\$ 141,691	\$ 648,520
Interest	249	118	367
Student activity fund receipts	615,780	-	615,780
State sources			
State - other revenues	462,851	_	462,851
Federal sources			100000
Restricted grants-in-aid	2,635,692	_	2,635,692
Total revenues	4,221,401	145,912	4,367,313
Expenditures			
Current			
Instructional			
Regular programs	291,073		201.072
		-	291,073
Special education programs	496,004	-	496,004 304,698
Vocational programs	304,698	-	1,065,731
Other instructional programs	1,065,731	-	
Special programs	487,414	_	487,414
Support services	145 212		145 212
Pupil support services	145,212	-	145,212
Instructional staff	904,682	-	904,682
General administration	4,433	-	4,433
School administration	18,666	7	18,666
Business services	-	-	-
Plant services	38,458	-	38,458
Student transportation services	78,983	-	78,983
Central services	8,000	-	8,000
Noninstructional			
Food service operations	19,541	-	19,541
Capital outlay	-	-	
Debt service			
Principal		55,000	55,000
Interest	-	42,260	42,260
Total expenditures	3,862,895	97,260	3,960,155
Excess of Revenues			
Over Expenditures	358,506	48,652	407,158
Other Financing Sources (Uses)			
Transfers out	(188,745)	_	(188,745)
Total other financing sources (Uses)	(188,745)		(188,745)
Net change in fund balances	169,761	48,652	218,413
Fund balances, beginning of year, original	901,478	207,216	1,108,694
Prior Period Adjustment Fund balances, beginning of year, restated	901,478	207,216	1,108,694
Fund balances at end of year	\$ 1,071,239	\$ 255,868	\$ 1,327,107

SPECIAL REVENUE FUNDS

Morehouse Parish School Board Combining Balance Sheet – Nonmajor Special Revenue Funds

							Special Re	enue F	unds										
June 30, 2022		Special ducation	9	Title II	JAG / Vocational 21st		East Morehouse 21st Century Parish Grant ROTC Tax District			Student Activity Miscellaneous Funds Grants			Total Nonmajor Special Revenue Funds						
Assets																			
Cash and cash equivalents Accounts receivable	\$	- 654,871	\$	- 159,283	\$ - 72,326	\$	58,735 61,831	\$	- 20,507	\$	322,093	\$	6,309	\$ 540,415 196	\$ 340,695	\$	213,762 96,447	\$	1,153,607 1,393,863
Total assets	\$	654,871	\$	159,283	\$ 72,326	\$	120,566	\$	20,507	\$	322,093	\$	6,309	\$ 540,611	\$ 340,695	\$	310,209	\$	2,547,470
Liabilities and Fund Balances Liabilities																			
Accounts payable	\$	13,409	\$		\$	\$		\$		\$		\$		\$ 1,550	\$	\$	1,351	\$	16,310
Salaries and wages payable		33,290			6,863		19,710		11,044				4,511		-		9,237		84,655
Internal balances		606,123		159,347	65,463		175		9,463		322,093		1,798	10,678	-		96,186		1,271,326
Other liabilities		2,243					100,746						+	-			951		103,940
Total liabilities		655,065		159,347	72,326		120,631		20,507		322,093		6,309	12,228	•		107,725		1,476,231
Fund Balances																			
Fund balances																			
Restricted for																			
Instructional costs		(194)		(64)			(65)							-			202,484		202,161
Student activity funds														-	340,695				340,695
Construction and maintenance costs														528,383					528,383
Total fund balances		(194)		(64)			(65)							528,383	340,695		202,484		1,071,239
Total liabilities and fund balances	\$	654,871	\$	159,283	\$ 72,326	\$	120,566	\$	20,507	\$	322,093	\$	6,309	\$ 540,611	\$ 340,695	\$	310,209	\$	2,547,470

Morehouse Parish School Board Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds

					Special Revenu	e Funds					
For the year ended June 30, 2022	Special Education	Title II	JAG/ Vocational Education	LA 4	8 (g)	21st Century Grant	ROTC	East Morehouse Parish Tax District	Student Activity Funds	Miscellaneous Grants	Total Nonmajor Special Revenue Funds
Revenues											
Local sources											
Ad valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 506,829	\$ -	\$ -	\$ 506,829
Interest							-	249		*	249
Student activity fund receipts		2	_			_	_		615,780		615,780
State sources									015,700		015,700
State - other revenues				92,104	63,583					448,827	604,514
Federal sources				52,204	03,303					110,027	004,514
Restricted grants-in-aid	1,070,450	273,532	118,683	91,844	2	683,145	79,429			176,946	2,494,029
Total revenues	1,070,450	273,532	118,683	183,948	63,583	683,145	79,429	507,078	615,780	625,773	4,221,401
Expenditures											
Current											
Instructional											
Regular programs		836	-	-	-	-	-	139,377	-	150,860	291,073
Special education programs	427,247	-			-	-	-	53,565	-	15,192	496,004
Vocational programs	-	-	102,956	-	-	-	-	-	*	201,742	304,698
Other instructional programs	-	-	-	-	-	422,684	79,429	4,433	556,652	2,533	1,065,731
Special programs	-	1,348	-	184,013	63,583	-	-	24,643	-	213,827	487,414
Support services											
Pupil support services	137,395	-	-	-	-	-	-	7,817	-	-	145,212
Instructional staff	408,610	271,412	15,727	-	-	139,144	-	4,433	-	65,356	904,682
General administration		-			-	-	-	4,433	-	-	4,433
School administration	-	-	-		-	-	-	17,399	-	1,267	18,666
Plant services	-	-	-	-		-	-	38,458	-	-	38,458
Student transportation services		-	-	2	-	47,515	-	29,358	-	2,110	78,983
Central services	-	-	-	-	-	-	-	-		8,000	8,000
Noninstructional											
Food service operations				_			-	19,541	_	-	19,541
Total expenditures	973,252	273,596	118,683	184,013	63,583	609,343	79,429	343,457	556,652	660,887	3,862,895
Excess of Revenues											
Over Expenditures	97,198	(64)	2	(65)	_	73,802	-	163,621	59,128	(35,114)	358,506
		****								, , , , , , , , , , , , , , , , , , , ,	
Other Financing Sources (Uses)											
Transfers out	(97,392			-	-	(73,802)	-	-	-	(17,551)	(188,745)
Total other financing sources (uses)	(97,392)	-	-	-	-	(73,802)	-	-	-	(17,551)	(188,745)
Net Change in Fund Balances	(194	(64)	T. 164 .	(65)	-		-	163,621	59,128	(52,665)	169,761
Fund Balances at Beginning of Year	_	-	-	_	_		-	364,762	281,567	255,149	901,478
Prior Period Adjustment	-	-			-	_	-				,
Fund balances, beginning of year, restated	-	-	-	-	-	-	-	364,762	281,567	255,149	901,478
Fund Balances at End of Year	\$ (194	\$ (64)	s -	\$ (65)	s -	\$ -	\$ -	\$ 528,383	\$ 340,695	\$ 202,484	\$ 1,071,239
runu palances at chu oi rear	ş (194	(64) د ا	- ·	٠ (٥٥) ٠	- ب	٠ -	y -	y 320,383	340,095 ب	202,484	J 1,071,239

CAPITAL PROJECTS FUNDS

Morehouse Parish School Board Combining Balance Sheet – Nonmajor Capital Project Funds

	School istrict 12	
June 30, 2022	nstruction	Total
Assets		
Cash and cash equivalents	\$ 255,868	\$ 255,868
Total assets	\$ 255,868	\$ 255,868
Fund Balances		
Fund Balances		
Restricted for		
Capital projects	\$ 255,868	\$ 255,868
Total fund balances	\$ 255,868	\$ 255,868

Morehouse Parish School Board Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds

		School istrict 12	
5 1/ 20 202			
For the year ended June 30, 2022	Со	nstruction	Total
Revenues			
Local sources			
Ad valorem tax	\$	141,691	\$ 141,691
Interest		118	118
Other		4,103	4,103
Total revenues		145,912	145,912
Expenditures			
Current:			
Debt service:			
Principal		55,000	55,000
Interest		42,260	42,260
Total expenditures		97,260	97,260
Excess of revenues			
over expenditures		48,652	48,652
Net change in fund balances		48,652	48,652
Fund balances at beginning of year		207,216	207,216
Fund balances at end of year	\$	255,868	\$ 255,868

Morehouse Parish School Board Schedule of Compensation Paid to Board Members For the Year Ended June 30, 2022

	District	Com	pensation
Karen T. Diel	1	\$	9,600
Louis E. Melton	2		9,600
Tab Wilkerson, President	3		9,600
Richard W. Hixon	4		9,600
Debra A Wilson, Vice President	5		10,200
Veronica L. Tappin, Vice President	6		10,200
Adrin Williams	7		9,600
		\$	68,400

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

Purpose	An	nount		
Salary	\$	147,808		
Benefits - insurance		13,255		
Benefits - retirement		37,248		
Travel		836		
Total compensation, benefits and other payments to agency head	\$	199,147		

SINGLE AUDIT INFORMATION



Carr, Riggs & Ingram, LLC 1000 East Preston Avenue Suite 200 Shreveport, LA 71105

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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*

Board Members Morehouse Parish School Board Bastrop, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the Morehouse Parish School Board (the "School Board"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated November 6, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board's internal control over financial reporting (internal control) 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 School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-002 and 2022-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 2022-001, 2022-004, and 2022-005.

Morehouse Parish School Board's Response to Findings

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

Purpose of this Report

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

CARR, RIGGS & INGRAM, LLC

Carr, Riggs & Ungram, L.L.C.

Shreveport, Louisiana November 6, 2023



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

Carr, Riggs & Ingram, LLC 1000 East Preston Avenue Suite 200 Shreveport, LA 71105

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Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Morehouse 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 Morehouse Parish School Board's major federal programs for the year ended June 30, 2022. Morehouse 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, Morehouse 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 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Morehouse 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 Morehouse Parish School Board's compliance with the compliance requirements referred to above.

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 Morehouse Parish School Board's federal programs.

Auditors' 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 Morehouse 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 Morehouse 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 Morehouse 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 Morehouse 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 Morehouse Parish School Board's internal control over compliance. Accordingly, no such opinion is expressed.

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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.

Shreveport, Louisiana November 6, 2023

Carr, Riggs & Ungram, L.L.C.

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

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Pass Through Grant Number	Expenditures	Amounts Passed Through to Subrecipients
Direct Programs:			LAPONAICA	
U.S. Department of Defense				
R.O.T.C. Language and Culture Training Grants	12.357	N/A	\$ 79,429	\$ -
Total U.S. Department of Defense			79,429	
Pass Through Programs:				
U. S. Department of Education				
Passed through Louisiana Department of Education				
Title I Grants to Local Educational Agencies				
Grants to Local Educational Agencies	84.010	28-21-T1-34	2,350,209	-
Grants to Local Educational Agencies	84.010	28-21-DSS-34	53,083	-
Grants to Local Educational Agencies	84.010	28-19-RD19-34	152,781	-
Total I Grants to Local Educational Agencies			2,556,073	-
Special Education Cluster (IDEA):				
Special Education-Grants to States (IDEA, Part B)	84.027	28-21-B1-34	1,032,472	-
Special Education-Preschool Grants	84.173	28-21-P1-34	36,736	
Special Education-Grants to States (IDEA, Part B)	84.027	28-21-JP-34	46,745	
COVID-19 - Special Education-Grants to States (IDEA, Part B)	84.027	28-22-IA11-34	1,242	
Total Special Education Cluster (IDEA)			1,117,195	
COVID-19 - Education Stabilization Fund	84.425D	28-20-ESRF-34	310,427	
COVID-19 - Education Stabilization Fund	84.425D	28-21-ES2F-34	4,663,491	
COVID-19 - Education Stabilization Fund	84.425D	28-21-ES2I-34	61,603	
COVID-19 - Education Stabilization Fund	84.425U	28-21-ES3F-34	176,744	
COVID-19 - Education Stabilization Fund	84.425U	28-21-ESEB-34		
COVID-19 - Education Stabilization Fund	84.425W	28-22-HARP-34	1,512,541 1,317	
Total COVID-19 Education Stabilization Fund	84.423VV	20-22-HARP-34	6,726,123	
Comprehensive Literacy Development	84.371	28-20-CCUB-34	10,322	
Supporting Effective Instruction State Grants	84.367	28-22-50-34	273,532	-
Twenty-First Century Community Learning Centers	84.287	28-21-2C-34	683,145	-
Career and Technical Education-Basic Grants to States	84.048	28-22-02-34	25,185	-
Student Support and Academic Enrichment Program	84.424	28-22-71-34	73,296	-
Teacher and School Leader Incentive Grants	84.374	28-18-PBCS-34	82,210	_
Total Teacher and School Leader Incentive Grants			82,210	
Total U. S. Department of Education			11,547,081	
U. S. Department of Health and Human Services				
Passed through Louisiana Department of Education				
Disaster Grants - Public Assistance	97.036	N/A	28,492	
Total U. S. Department of Health and Human Services			28,492	
U.S. Department of Agriculture (USDA)				
Passed through Louisiana Department of Education Child Nutrition Cluster				
School Breakfast Program	10.553	N/A	544,431	
School Lunch Program	10.555	N/A	1,495,013	-
Commodities	10.555	N/A	169,724	-
Summer Food Service Program for Children	10.559	N/A	7,579	
Fresh Fruit and Vegetable Program	10.582	N/A	12,456	
Total Child Nutrition Cluster	10.382	14/6	2,229,203	
Child and Adult Care Food Program	10.558	N/A	80,058	-
Total U.S. Department of Agriculture		0.00	2,309,261	
en rando se apresante establismos en en el Esperante en el Companyo				
Total Expenditures of Federal Awards			\$ 13,964,263	\$ -

Morehouse Parish School Board Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

A. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal award programs of the Morehouse Parish School Board (the School Board). The information in the Schedule of Expenditures of Federal Awards 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). The School Board reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule. Because the Schedule of Expenditures of Federal Awards presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial information or change in net position of the Morehouse Parish School Board.

B. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. Relationship to Basic Financial Statements

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 13,964,263
Total expenditures funded by other sources	38,465,088
Total expenditures	\$ 52,429,351

Morehouse Parish School Board Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

D. Relationship to Federal Financial Reports

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

E. Matching Revenues

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

F. Noncash Programs

The commodities received, which are noncash expenditures, are valued using prices provided by the United States Department of Agriculture.

G. Federal Indirect Cost Rate

Morehouse Parish School Board has not elected to use the 10% de minimis federal indirect cost rate allowed under the Uniform Guidance.

H. Subrecipients

Morehouse Parish School Board did not provide federal funds to any subrecipients during the year ended June 30, 2022.

I. Loans

Morehouse Parish School Board did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2022.

J. Federally Funded Insurance

Morehouse Parish School Board has no federally funded insurance.

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements		
Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
 Material weaknesses identified? 	<u>X</u> yes	no
 Significant deficiency(ies) identified? 	yes	X_none reported
Noncompliance material to the financial statements noted?	yes	<u>X</u> no
Federal Awards		
Internal control of major programs:		
 Material weaknesses identified? 	yes	<u>X</u> no
 Significant deficiency(ies) identified? 	yes	X_none reported
Type of auditors' report issued on compliance for major		
federal programs:		Unmodified
Any audit findings disclosed that are required to be reported		
in accordance with Uniform Guidance (2 CFR 200.516(a))?	yes .	X_none reported
Identification of major federal programs:		
		Assistance Listing
Name of federal program of cluster		Number
COVID-19 - Education Stabilization Fund		84.425C
COVID-19 - Education Stabilization Fund		84.425D
COVID-19 - Education Stabilization Fund		84.425U
Dollar threshold used to distinguish between Type A and B progra	ms was \$750	0,000 for major federa
programs.		
Auditee qualified as a low-risk auditee for federal purposes?	yes	<u>X</u> no

Section II - Financial Statement Findings

2022-001 Late Submission of Audit Report to the Louisiana Legislative Auditor

Condition: The School Board did not have the audited financial statements submitted to the Louisiana Legislative Auditor by the required deadline.

Criteria: The audit report should be filed timely to the Louisiana Legislative Auditor within six months after year-end, according to Louisiana R.S. 24:513A(5)(a)(i).

Cause: Due to hardships of the School Board's financial operations and staff turnover, documentation was not easily found causing delays in completion of testwork.

Effect: The School Board did not meet the compliance requirements with the State of Louisiana.

Recommendation: We recommend timely reporting and information gathering to ensure that the audit will be filed timely going forward.

Management response: We are in agreement and should be able to focus on the audit.

Anticipated completion date: Immediately

Person responsible for corrective actions:

Ersula Downs, Business Manager Morehouse Parish School Board P.O. Box 872 Bastrop, Louisiana 71221-0872

Telephone: 318-281-5784

Fax: 318-283-3456

2022-002 Account Balance Reconciliation and Adjustments

Condition: The School Board was not able to properly reconcile all accounts for the year ended June 30, 2022.

Criteria: Account reconciliations should be performed in a timely manner for proper management and oversight of the accounting function.

Cause: Software issues and information was not properly gathered and provided to accounting department to record activity caused accounts to not be properly reconciled and reported.

Effect: Accounting records, financial statements and statistical schedules were materially misstated and not corrected in a timely manner.

Recommendation: We recommend that all necessary information be identified, and gathered in order to properly reconcile accounts.

Management response: We are in agreement and work to complete reconciliations in a timely manner.

Anticipated completion date: Immediately

Person responsible for corrective actions: Ashley White, Child Nutrition Supervisor Morehouse Parish School Board P.O. Box 872 Bastrop, Louisiana 71221-0872

Telephone: 318-281-5784

Fax: 318-283-3456

2022-003 Fixed Asset Purchases

Condition: Capital Assets purchased during the year were not identified for capitalization.

Criteria: Capital assets purchased should be identified and properly reported to the appropriate personnel for tagging, tracking, and reporting purposes.

Cause: Not all funds were reviewed for capitalization of assets and lack of information reporting to appropriate personnel.

Effect: Accounting records and financial statements were not properly reported.

Recommendation: We recommend that the School Board review all vehicle and equipment purchases for identification and capitalization.

Management response: School Board has contacted current software provider for fixed asset options. We are currently in the process of converting to new financial software and will have to work with current provider to get what information we can transferred to the new system.

Anticipated completion date: Immediately

Person responsible for corrective actions:

Ersula Downs, Business Manager Morehouse Parish School Board P.O. Box 872 Bastrop, Louisiana 71221-0872 Telephone: 318-281-5784

Fax: 318-283-3456

2022-004 EMMA filing disclosures

Condition: The School Board has not filed required disclosures with the Electronic Municipal Market access (EMMA) division for the Municipal Securities Rulemaking Board.

Criteria or Specific Requirement: Governmental entities that have public bond offerings are required to submit annual financial statement disclosures to the EMMA division of the Municipal Securities Rulemaking Board.

Cause: Due to hardships of the School Board's financial operations and staff turnover, required disclosures were not timely filed.

Effect: Noncompliance with all requirements of public bond offerings.

Recommendation: We recommend filing all required disclosures and notifying appropriate individuals if filings cannot be completed in a timely manner by the required deadline.

Management response: We are in agreement and will put procedures in place to ensure timely filing of EMMA disclosures.

2022-005 Uncollateralized cash deposits

Condition: Bank accounts at a local banking institution was not fully collateralized as of June 30, 2022.

Criteria: Louisiana R.S. 39:1218 requires deposits over \$250,000, the FDIC insured limit, to be secured by collateral.

Cause: Proper collateral was not obtained by the banking institution as of June 30, 2022 for cash accounts exceeding the FDIC insured limit by \$14,333.

Effect: Noncompliance with Louisiana R.S. 39:1218.

Recommendation: We recommend that the School Board review all bank accounts throughout the year to ensure that all accounts are properly insured and collateralized.

Management response: We are in agreement and have implemented procedures to ensure all deposits are properly collateralized in excess of FDIC insurance limits.

Anticipated completion date: Immediately

Section III – Federal Award Findings and Responses

None

Morehouse Parish School Board Summary Schedule of Prior Audit Findings

2021-001 Late Submission of Audit Report to the Louisiana Legislative Auditor

Year of Origination: June 30, 2021

Condition: The School Board did not have the audited financial statements submitted to the Louisiana Legislative Auditor by the required deadline.

Status: Repeated in FY2022. See 2022-001

2021-002 Account Balance Reconciliation and Adjustments

Year of Origination: June 30, 2021

Condition: In the previous fiscal year (FY20), data was lost related to food and supply inventory usage for the year that did not allow for proper recording of food and inventory usage.

Status: Repeated in FY2022. See 2022-002

2021-003 Fixed Asset Purchases

Year of Origination: June 30, 2021

Condition: Capital Assets purchased during the year were not identified for capitalization

Status: Repeated in FY2022. See 2022-003

2021-004 Commodities

Year of Origination: June 30, 2021

Condition: During our testing procedure of the Child Nutrition Program, it was identified that commodities received were not properly recorded on the books or reported on the SEFA.

Status: Repeated in FY2022. See 2022-002

Morehouse Parish School Board Summary Schedule of Prior Audit Findings

Section III - Federal Award Findings and Responses

2021-005 Approval of Invoices – ESF and Title I

Federal Program, Assistance Listing Number and Year, Federal Agency, Pass-Through Entity: Education Stabilization Fund, Assistance Listing #84.425CDU, 2021, U.S. Department of Education, Louisiana Department of Education. Title 1 Local Grants to Local Educational Agencies, Assistance Listing #84.010, 2021, U.S. Department of Education, Louisiana Department of Education.

Condition: During our testing procedures, we identified one invoice that was not properly approved for payment.

Status: Resolved.



MOREHOUSE PARISH SCHOOL BOARD

"Obtaining Excellence in Education Through Quality Teaching"

4099 Naff Avenue Post Office Box 872 Bastrop, LA 71220 (318) 281-5784 Fax (318) 283-3456

Veronica Loche-Tappin, President District 6

Debbie Wilson, Vice President District 5

Karen Diel

Louis Meltor District 2

Rick Hixon District 4

Adrin Williams District 7

Mission: "Academic Excellence through Quality Teaching" Vision: "Continuing to a 'C' in 2021"

DAVID GRAY Superintendent

CORRECTIVE ACTION PLAN

Section II - Financial Statement Findings

Finding:

2022-001

Responsible Contact Person:

Ersula Downs, Business Manager

Planning Corrective Action:

We are in agreement and should be able to focus on the audit

and implement procedures to ensure information is gathered to

submit the audit by the statutory December 31 deadline.

Anticipated Completion Date: December 31, 2023.

Finding:

2022-002

Responsible Contact Person:

Ersula Downs, Business Manager

Planning Corrective Action:

We are in agreement and should be able to focus on the audit

and implement procedures to ensure information is gathered to

submit the audit by the statutory December 31 deadline.

Anticipated Completion Date: December 31, 2023.

Finding: 2022-003

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: School Board has contacted current software provider for fixed

asset options. We are currently in the process of converting to new financial software and will have to work with current provider to get what information we can transferred to the new

system.

Anticipated Completion Date: December 31, 2023.

Finding: 2022-004

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: We are in agreement and should be able to focus on the audit

and implement procedures to ensure information is gathered to

submit the audit by the required deadline.

Anticipated Completion Date: December 31, 2023.

Finding:2022-005 Uncollateralized cash deposits

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: School Board has contacted local banking institutions to ensure

all accounts are properly collateralized for deposits in excess of

FDIC insurance limits.

Anticipated Completion Date: October 2023.

OTHER INFORMATION



Independent Accountants' Report on Applying Agreed-Upon Procedures

Board Members Morehouse Parish School Board Bastrop, Louisiana Carr, Riggs & Ingram, LLC 1000 East Preston Avenue

Suite 200 Shreveport, LA 71105

Mailing Address: P.O. Box 4278 Shreveport, LA 71134-0278

(318) 222-2222 (318) 226-7150 (fax) CRIcpa.com

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

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

- 1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

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

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1, 2021 roll books for those classes and observed that the class was properly classified on the schedule.

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

Education Levels / Experience of Public School Staff (No Schedule)

3. We obtained October 1, 2021 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Comment: No exceptions were noted as a result of applying agreed-upon procedures.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2022 PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

Comment: No exceptions were noted as a result of applying agreed-upon procedures.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Morehouse Parish School Board, as required by Louisiana Revised Statue 24:514.I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

CARR, RIGGS & INGRAM, LLC

Carr, Riggs & Ungram, L.L.C.

Shreveport, Louisiana November 6, 2023

Morehouse Parish School Board Schedule 1 – General Fund Instructional and Support Expenditures and Certain Local Revenue Sources For the Year Ended June 30, 2022

General Fund Instructional and Equipment Expenditures			
General Fund Instructional Expenditures:			
Teacher and Student Interaction Activities:			
Classroom Teacher Salaries	\$ 5,478,940		
Other Instructional Staff Activities	659,757		
Instructional Staff Employee Benefits	3,696,696		
Purchased Professional and Technical Services	107,083		
Instructional Materials and Supplies	163,277		
Instructional Equipment	-		
Total Teacher and Student Interaction Activities	·	\$	10,105,753
Other Instructional Activities			130,281
Pupil Support Activities	1,407,504		
Less: Equipment for Pupil Support Activities			
Net Pupil Support Activities	**************************************		1,407,504
Instructional Staff Services	580,928		
Less: Equipment for Instructional Staff Services			
Net Instructional Staff Services		•	580,928
School Administration	1,450,527		
Less: Equipment for School Administration			
Net School Administration			1,450,527
Total General Fund Instructional Expenditures		ė	13,674,993
Total General Fund instructional experiortures		7	13,074,333
Total General Fund Equipment Expenditures		\$	
Certain Local Revenue Sources			
Local Taxation Revenue:			
Ad Valorem Taxes			
Constitutional Ad Valorem Taxes		\$	905,993
Renewable Ad Valorem Tax			4,063,463
Debt Service Ad Valorem Tax			1,516,395
Up to 1% of Collections by the Sheriff on taxes other than School Taxes			147,361
Sales Taxes			
Sales and Use Taxes - Gross			7,725,435
Total Local Taxation Revenue		\$	14,358,647
Local Earnings on Investment in Real Property:			
		ė	00 547
Earnings from 16th Section Property		\$	99,547
Total Local Earnings on Investment in Real Property		\$	99,547
State Revenue in Lieu of Taxes:			
Revenue Sharing-Constitutional Tax		\$	61,674
Revenue Sharing-Other Taxes			91,896
Total State Revenue in Lieu of Taxes		\$	153,570
Nonpublic Textbook Revenue		Ś	5,999
		т	5,555

Morehouse Parish School Board Schedule 2 – Class Size Characteristics As of October 1, 2021

	Class Size Range								
	1 - 20		21-26		27 - 33		34+		
School Type	Percent	Number	Percent	Number	Percent	Number	Percent	Number	
Elementary	75%	203	24%	64	1%	4	0%	1	
Elementary Activity Classes	63%	24	24%	9	5%	2	8%	3	
Middle/Jr. High	0%	0	0%	0	0%	0	0%	0	
Middle/Jr. High Activity Classes	0%	0	0%	0	0%	0	0%	0	
High	72%	355	22%	107	6%	31	0%	0	
High Activity Classes	97%	115	0%	0	3%	4	0%	0	
Combination	77%	404	23%	119	0%	1	1%	4	
Combination Activity Classes	89%	97	0%	0	0%	0	11%	12	

Morehouse Parish School Board Bastrop, Louisiana STATEWIDE AGREED-UPON PROCEDURES REPORT June 30, 2022



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the School Board Members of the Morehouse Parish School Board and the Louisiana Legislative Auditor: Carr, Riggs & Ingram, LLC 1000 East Preston Avenue Suite 200 Shreveport, LA 71105

Mailing Address: P.O. Box 4278 Shreveport, LA 71134-0278

(318) 222-2222 (318) 226-7150 (fax) CRIcpa.com

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 Morehouse Parish School Board ("MPSB") management is responsible for those C/C areas identified in the SAUPs.

The MPSB 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. 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.

Results: Written policies and procedures do not address how vendors are added to the vendor list.

c) Disbursements, including processing, reviewing, and approving.

Results: Written policies and procedures do not address this section.

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).

Results: Written policies and procedures do not address this section.

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.

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

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.

Results: Written policies and procedures do not address this section.

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).

Results: Written policies and procedures does not address this section.

h) *Travel and Expense Reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

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

i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute (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.

Results: Written policies and procedures do not address the system to monitor possible ethics violations and the 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.

Results: Written policies and procedures do not address debt issuance approval, EMMA reporting requirements, debt reserve requirements, and 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.

Results: Written policies and procedures does not address this section.

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 applying the procedure.

Board or Finance Committee

- 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.

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

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 budgetto-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit 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: No exceptions were found as a result of applying the procedure.

Bank Reconciliations

- 3. 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 4 additional accounts (or all accounts if less than 5). Randomly select one 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 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - **Results:** There was one instance in our samples selected where the bank account was not reconciled within 2 months of the related statement closing date.
 - 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
 - **Results:** There was one instance in our samples selected where the bank account was reviewed by a bookkeeper, who is not a member of management or board member.
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: Management does not have documentation reflecting searches into outstanding checks greater than 12 months from statement

Collections (excluding electronic funds transfers)

4. 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 5 deposit sites (or all deposit sites if less than 5).

Results: CRI obtained a list of deposits sites and management's representation that the listing was complete.

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 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.

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

b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Results: CRI identified that due to lack of personnel, duties are not properly segregated. Employees collect cash/checks, prepare deposit slips, as well as reconcile collection documentation to deposits, as well as posting and reconciling postings to the general ledger.

c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: CRI identified that due to lack of personnel, duties are not properly segregated. Employees collect cash/checks, prepare deposit slips, as well as reconcile collection documentation to deposits, as well as posting and reconciling postings to the general ledger.

d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: CRI identified that due to lack of personnel, duties are not properly segregated. Employees collect cash/checks, prepare deposit slips, as well as reconcile collection documentation to deposits, as well as posting and reconciling postings to the general ledger.

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 applying the procedure.

7. Randomly select two deposit dates for each of the 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 10 deposits and:

a) Observe that receipts are sequentially pre-numbered.

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

b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

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

c) Trace the deposit slip total to the actual deposit per the bank statement.

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

d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 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).

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

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

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

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

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

Results: CRI obtained listing of locations that process payments and management's representation that the listing was complete.

- 9. 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 employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

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

b) At least two employees are involved in processing and approving payments to vendors.

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

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.

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

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.

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

[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.]

- 10. 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 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.

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

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 applying the procedure.

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

11. 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: CRI obtained 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 and management's representation that the listing is complete.

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

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

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

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

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 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.

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

- 14. 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 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 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).

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

b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

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

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).

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

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 applying the procedure.

Contracts

- 15. 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 5 contracts (or all contracts if less than 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).

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

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).

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

d) Randomly select one payment from the fiscal period for each of the 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 applying the procedure.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 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 applying the procedure.

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

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

b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

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

c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records. **Results:** No exceptions were found as a result of applying the procedure.

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 applying the procedure.

18. 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 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 applying the procedure.

19. 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: CRI obtained management's representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

Ethics

- 20. Using the 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 hour of ethics training during the fiscal period.

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

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.

Debt Service

21. 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 applying the procedure.

22. 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 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 applying the procedure.

Fraud Notice

23. 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: Management represented that no misappropriations of public funds and assets occurred during the fiscal period.

24. 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: We noted the entity does not have the required notice posted on its website.

Information Technology Disaster Recovery/Business Continuity

- 25. 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.

Results: We performed the procedure and discussed the results with management.

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.

Results: We performed the procedure and discussed the results with management.

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 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: We performed the procedure and discussed the results with management.

Sexual Harassment

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

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

27. 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).

- 28. 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: CRI identified that Morehouse Parish School Board did not complete the Annual Sexual Harassment report as of February 2022.

We were engaged by the Morehouse 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 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 Morehouse 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 those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

CARR, RIGGS, & INGRAM, LLC

Carr, Riggs & Ungram, L.L.C.

Shreveport, Louisiana November 6, 2023