

**Union Parish School Board
Farmerville, Louisiana**



Annual Financial Report
For the fiscal year ended June 30, 2024

**Union Parish School Board
Farmerville, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 2024**

Union Parish School Board

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Independent Auditor's Report

Board Members
Union Parish School Board
Farmerville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Union Parish School Board, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying 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 Union Parish School Board, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Downsville Community Charter, Inc., which represents 100% of the assets, net position, and revenues of the aggregate discretely presented component unit as of June 30, 2024. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for Downsville Community Charter, Inc. is based solely on the report of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgement 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 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Emphasis of Matters

As described in Note 19 to the financial statements, the School Board adopted new accounting guidance, GASB Statement No.100- *Accounting Changes and Error Corrections – an amendment of GASB statement No. 62*. Our opinion is not modified with respect to this matter.

As disclosed in Note 6 to the financial statements, the net pension liability for the School Board was \$16,466,745 at June 30, 2024, as determined by the Teachers' Retirement System, of Louisiana (TRSL), and Louisiana School Employees' Retirement System (LSERS). The related actuarial valuations were performed by TRSL's and LSERS's actuaries using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at June 30, 2024, could be under or overstated. Our opinion is not modified with respect to this matter.

As discussed in Note 7 to the financial statements, the other post-employment benefits (OPEB) Liability for the School Board was \$30,394,098 at June 30, 2024, related to its participation in a single-employer other post-employment benefit plan. The related actuarial valuations were performed by the School Board's actuary using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at June 30, 2024, could be under or overstated. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plans, the Budgetary Comparison Schedules, and the notes to the required supplementary information, 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 GAAS, 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 Union Parish School Board's basic financial statements. The accompanying supplementary information, as listed in the table of contents, 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 GAAS. In our opinion, the accompanying supplementary information, as listed in the table of contents, 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*, is 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 December 31, 2024, on our consideration of the Union 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 School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2024

REQUIRED SUPPLEMENTARY INFORMATION:

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

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

We offer readers of the Union Parish School Board's financial statements this narrative overview and analysis of the financial activities of the Union Parish School Board for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

Key financial highlights for the 2023-2024 fiscal year include the following:

- Statement of Net Position – The Union Parish School Board's net position was \$(33,083,459) on June 30, 2024. Of this amount, \$(39,424,655) was an unrestricted deficit that was \$145,409 more than the prior year. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the School Board's ability to use that net position for day-to-day operations.
- Statement of Activities – The total net position of the Union Parish School Board increased by \$2,913,416 for the year ended June 30, 2024. This is an 8.1% increase from the last fiscal year and is due to increases in grant revenues along with decreases in expenditure accounts.
- Governmental Funds Balance Sheet – As of the close of the current fiscal year, the Union Parish School Board's governmental funds reported a combined ending fund balance of \$10,931,212, a decrease of \$1,125,260 in comparison with the prior fiscal year and a prior period correction of an error of \$(256,929). This decrease can be attributed to the General Fund that decreased \$394,326 or 6.0%, a decrease in Capital Projects fund balance of \$1,129,834 or 32.8%, offset by an increase in Debt Service fund balance of \$209,538 or 16.2%.
- Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances – Total revenues for the year ended June 30, 2024, for the governmental funds of the Union Parish School Board amounted to \$42,405,889. Approximately 93.2% of this amount is received from four major revenue sources: (1) \$12.5 million from State Equalization, (2) \$10.8 million from Federal educational grants, (3) \$10.4 million from local sales and use taxes, and (4) \$5.9 million from local ad valorem taxes.
- General Fund's Ending Fund Balance – At the end of the current fiscal year, fund balance for the General Fund, a major fund, was \$6,391,490, or 22.4% of total General Fund expenditures. Approximately \$4.3 million is committed for future claims and contingencies, equipment replacement, and specific projects, while \$2.1 million is unassigned and available for spending at the Board's discretion.
- Capital Assets – Total capital assets (net of depreciation) were \$39,532,769 or 74.4% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Debt – The Union Parish School Board's total debt decreased \$1,785,000 (4.9%) during the current fiscal year. The school system outstanding debt on June 30, 2024, includes General Obligation Bonds of \$32.2 million and Limited Tax Revenue Bonds of \$2.5 million. The primary reason for the decrease was the annual principal payments on all outstanding long-term debt issues.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Overview of the Financial Statements

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

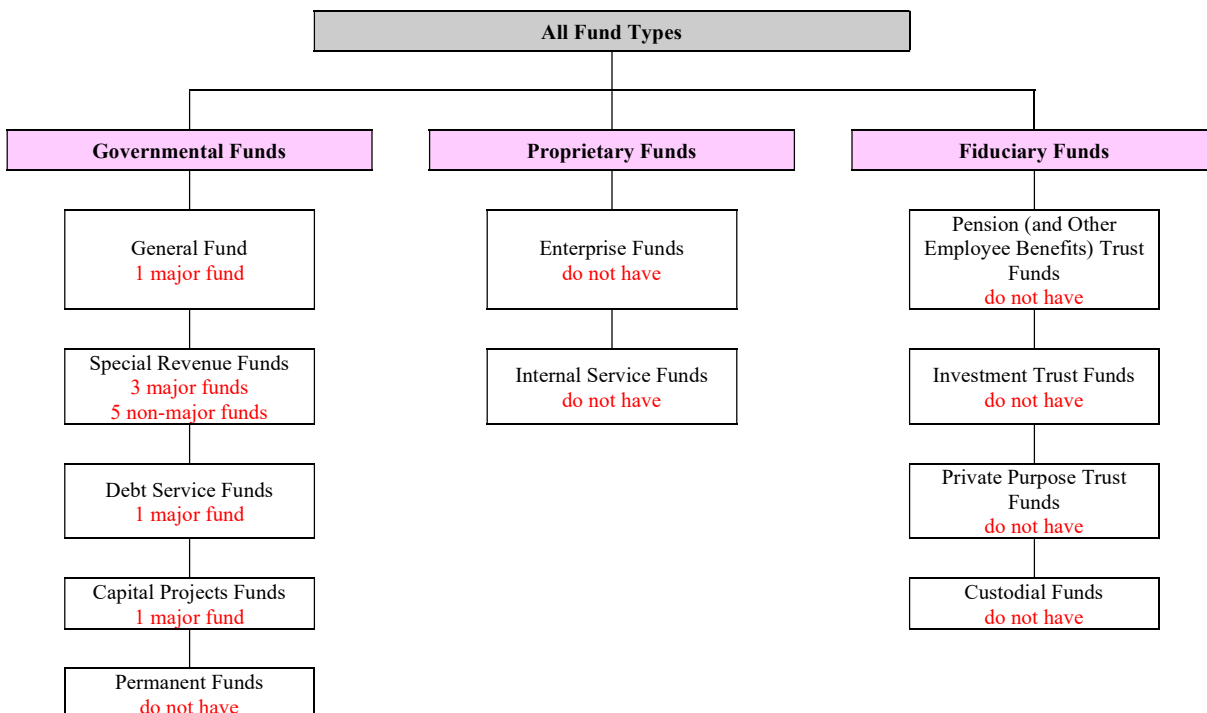
Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Union Parish School Board's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the Union Parish 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 Union Parish School Board is improving or deteriorating.

The Statement of Activities presents information showing how the School Board's net assets 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).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Union Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the Union Parish School Board are categorized in one of 11 fund types. Each fund type and the number of individual funds operated by the Union Parish School Board for FY 2024 are listed in the chart below.



UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

- *Governmental funds.* Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Union 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 the School Board's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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 (a) General Fund, (b) ESSA Programs, (c) Equalization Stabilization, (d) 21st Century, (e) Debt Service Fund, and (f) the Capital Projects Fund which are considered to be the only major funds. Data for the other 5 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Union Parish School Board adopts an annual appropriated budget for its General Fund and each individual Special Revenue Fund except for the Student Activity Funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

- *Proprietary fund.* The Union Parish School Board does not maintain any funds within the Proprietary Fund group.
- *Fiduciary funds.* The Union Parish School Board does not maintain any Fiduciary funds.

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

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

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Union Parish School Board, liabilities exceed assets by \$(33,083,459) at the close of the most recent fiscal year. Of this amount, \$(39,424,655) was an unrestricted deficit that was \$145,409 less than the prior year as shown in the chart below.

Union Parish School Board
Statement of Net Position

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Other assets	\$ 13,588,702	\$ 15,402,582	\$ (1,813,880)
Capital assets	<u>39,532,769</u>	<u>38,632,626</u>	<u>900,143</u>
Total assets	<u>53,121,471</u>	<u>54,035,208</u>	<u>(913,737)</u>
 Deferred Outflows	 <u>5,644,298</u>	 <u>9,121,022</u>	 <u>(3,476,724)</u>
 Other liabilities	 3,028,023	 3,478,216	 (450,193)
Long-term liabilities	<u>82,455,803</u>	<u>90,648,510</u>	<u>(8,192,707)</u>
Total liabilities	<u>85,483,826</u>	<u>94,126,726</u>	<u>(8,642,900)</u>
 Deferred inflows of resources	 <u>6,365,402</u>	 <u>5,026,379</u>	 <u>1,339,023</u>
 Net position:			
Net investment in capital assets	4,526,989	1,924,462	2,602,527
Restricted	1,814,207	1,648,727	165,480
Unrestricted	<u>(39,424,655)</u>	<u>(39,570,064)</u>	<u>145,409</u>
Total net position	<u>\$ (33,083,459)</u>	<u>\$ (35,996,875)</u>	<u>\$ 2,913,416</u>

Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the School Board's ability to use that net position for day-to-day operations.

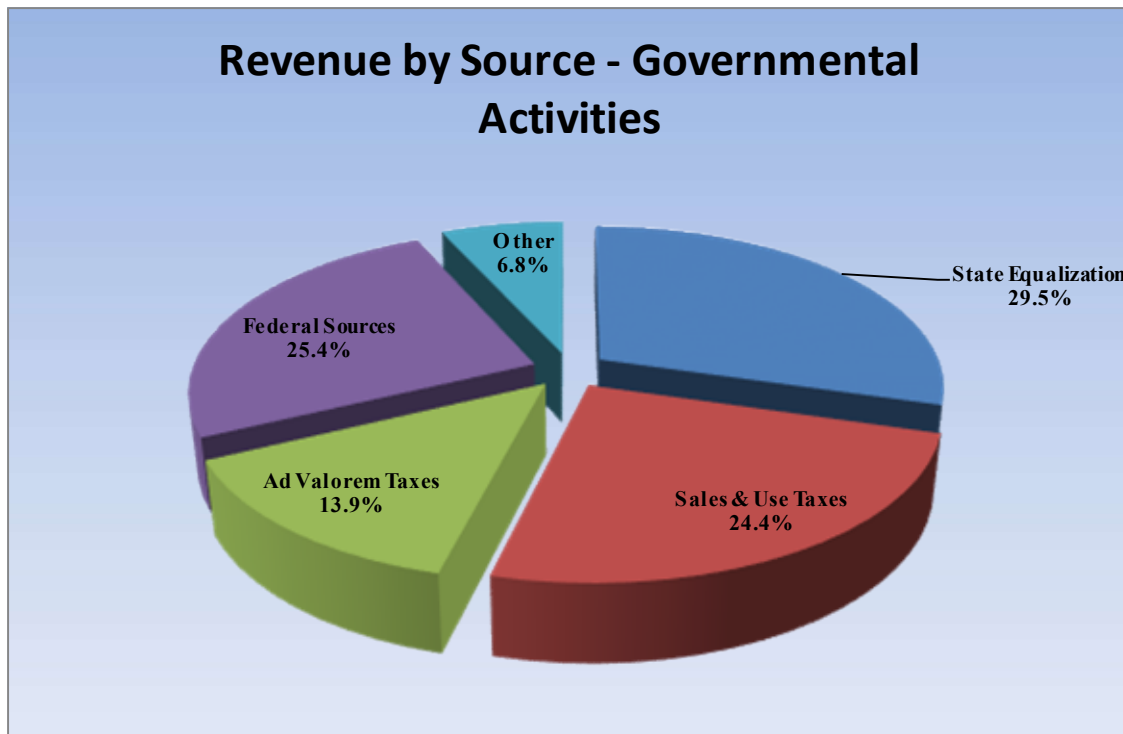
Governmental activities increased the Union Parish School Board's net position by \$2,913,416 which was an 8.1% gain in the net position. Key elements of this increase are on the next page.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Union Parish School Board
Statement of Activities

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
General Revenues:			
Ad valorem taxes	\$ 5,880,808	\$ 5,684,382	\$ 196,426
Sales taxes	10,356,657	10,229,728	126,929
Minimum Foundation Program	12,519,084	12,962,265	(443,181)
State revenue sharing	66,250	67,050	(800)
Other grants	35,610	34,697	913
Interest and investment earnings	517,728	158,835	358,893
Miscellaneous	815,402	1,086,409	(271,007)
Program Revenues			
Charges for Services	18,929	12,788	6,141
Grants and Contributions	12,195,421	11,642,570	552,851
Total revenues	<u>42,405,889</u>	<u>41,878,724</u>	<u>527,165</u>
Expenses:			
Instruction:			
Regular programs	17,806,350	16,659,308	1,147,042
Special programs	1,156,745	1,250,752	(94,007)
Other instructional programs	5,159,252	7,178,756	(2,019,504)
Support services:			
Pupil support services	2,306,668	2,340,638	(33,970)
Instructional staff support services	3,325,329	2,458,531	866,798
General administration	983,624	1,383,348	(399,724)
School administration	973,997	983,648	(9,651)
Business services	656,168	650,283	5,885
Plant services	1,525,328	1,285,983	239,345
Student transportation services	2,431,649	1,874,064	557,585
Central services	3,519	4,731	(1,212)
Food services operations	1,782,396	1,697,301	85,095
Community services programs	-	108,057	(108,057)
Interest on long-term debt	1,124,519	1,173,496	(48,977)
Total expenses	<u>39,235,544</u>	<u>39,048,896</u>	<u>186,648</u>
Change in net position	3,170,345	2,829,828	340,517
Net position - beginning, as originally stated	(35,996,875)	(38,826,703)	2,829,828
Prior period change due to error correction	(256,929)	-	(256,929)
Net position - beginning, restated	<u>(36,253,804)</u>	<u>(38,826,703)</u>	<u>2,572,899</u>
Net position at end of year	<u>\$ (33,083,459)</u>	<u>\$ (35,996,875)</u>	<u>\$ 2,913,416</u>

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024



Revenues by Source – Governmental Activities

- State Equalization: The largest source of revenue to the Union Parish School Board is “State Equalization.” This money comes from the State of Louisiana through the distribution of approximately \$4.0 billion to all public-school systems and is commonly known as the Minimum Foundation Program (MFP) which helps pay for salaries and general operations. The State does not provide money for building schools or retiring debt. The distribution of the MFP is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in the “Grants and Contributions Not Restricted to Specific Programs” for the past 3 years.

<u>Fiscal Year</u>		<u>General Fund</u>	<u>School Food Service Fund</u>	<u>Total</u>	<u>Percentage Increase or (Decrease)</u>
2021-22	\$	13,240,747	\$ 15,715	\$ 13,256,462	--
2022-23		12,949,186	13,079	12,962,265	-2.2%
2023-24		12,506,676	12,408	12,519,084	-3.4%

In FY 2023-24, the School Board received \$12,519,804 or 29.5% of its total revenues from the MFP. All of this was deposited into the General Fund except for \$12,408 that was given to the School Food Service Fund. A decrease of \$443,181 is largely due to a drop in the number of students attending school in Union Parish.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Union Parish School Board. A 3% sales tax rate is levied upon the sale and consumption of goods and services within the parish for public school education. The chart below lists the sales and use tax revenues for the past 3 years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>School Food Service Fund</u>	<u>Debt Service Funds</u>	<u>Capital Projects Fund</u>	<u>Total Sales & Use Tax Collections</u>	<u>Percentage Increase or (Decrease)</u>
2021-22	\$ 8,766,739	\$ -	\$ 286,312	\$ -	\$ 9,053,051	--
2022-23	9,618,442	99,789	285,670	225,827	10,229,728	13.0%
2023-24	9,676,515	163,328	289,996	226,818	10,356,657	1.2%

In FY 2023-24, the School Board deposited approximately \$10.4 million of sales and use tax revenues into the General Fund, Food Service Fund, Debt Service Fund and Capital Fund. This represents 24.4% of the total revenues received. Total collections increased approximately 1.2% or \$126,929 in fiscal year 2023-24. Much of this increase is attributed to normal growth.

- **Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the fourth largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the Union Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. The chart below lists the ad valorem tax deposits for the past 3 years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Debt Service Funds</u>	<u>Total Ad Valorem Taxes</u>	<u>Percentage Increase or (Decrease)</u>
2021-22	\$ 2,869,869	\$ 2,810,782	\$ 5,680,651	--
2022-23	2,871,687	2,812,695	5,684,382	0.1%
2023-24	2,970,226	2,910,582	5,880,808	3.5%

In FY 2023-24, the School Board deposited \$5,880,808 of ad valorem tax revenues into the General Fund and Debt Service Fund. This represents 13.9% of the total revenues received and is an increase of \$196,426 from the prior fiscal year.

- **Federal Sources:** The total number of Federal grants received by the School Board in FY 2023-24 equaled 42 that totaled \$10.8 million or 25.4% of total revenues and are the second largest source of revenues for the School Board. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost. The chart below shows these educational grants by funding source.

<u>Fiscal Year</u>	<u>Equalization Stabilization</u>	<u>Food Service</u>	<u>ESSA Programs</u>	<u>Other Federal Grants</u>	<u>Total</u>	<u>Percentage Increase or (Decrease)</u>
2021-22	\$ 3,409,934	\$ 1,499,075	\$ 1,917,204	\$ 2,982,658	\$ 9,808,871	--
2022-23	4,605,240	1,406,995	2,414,622	2,637,987	11,064,844	12.8%
2023-24	4,431,095	1,428,771	2,387,879	2,518,236	10,765,981	-2.7%

In FY 2023-24, the School Board received a reduction of \$298,863 in Federal grants as compared to the prior fiscal year. The top three grants represent 76.6% or \$8.2 million and are identified as Equalization Stabilization grants of \$4.4 million, School Food Service grants of \$1.4 million, and ESSA grants of \$2.4 million while the remaining Federal grants totaling \$2.5 million dollars.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Expenses and Program Revenues – Governmental Activities

Program expenses and program revenues for governmental activities are classified by functions/programs as shown in the table and bar graph below. Program revenues are comprised of (1) specific charges for the services, and (2) operating grants and contributions.

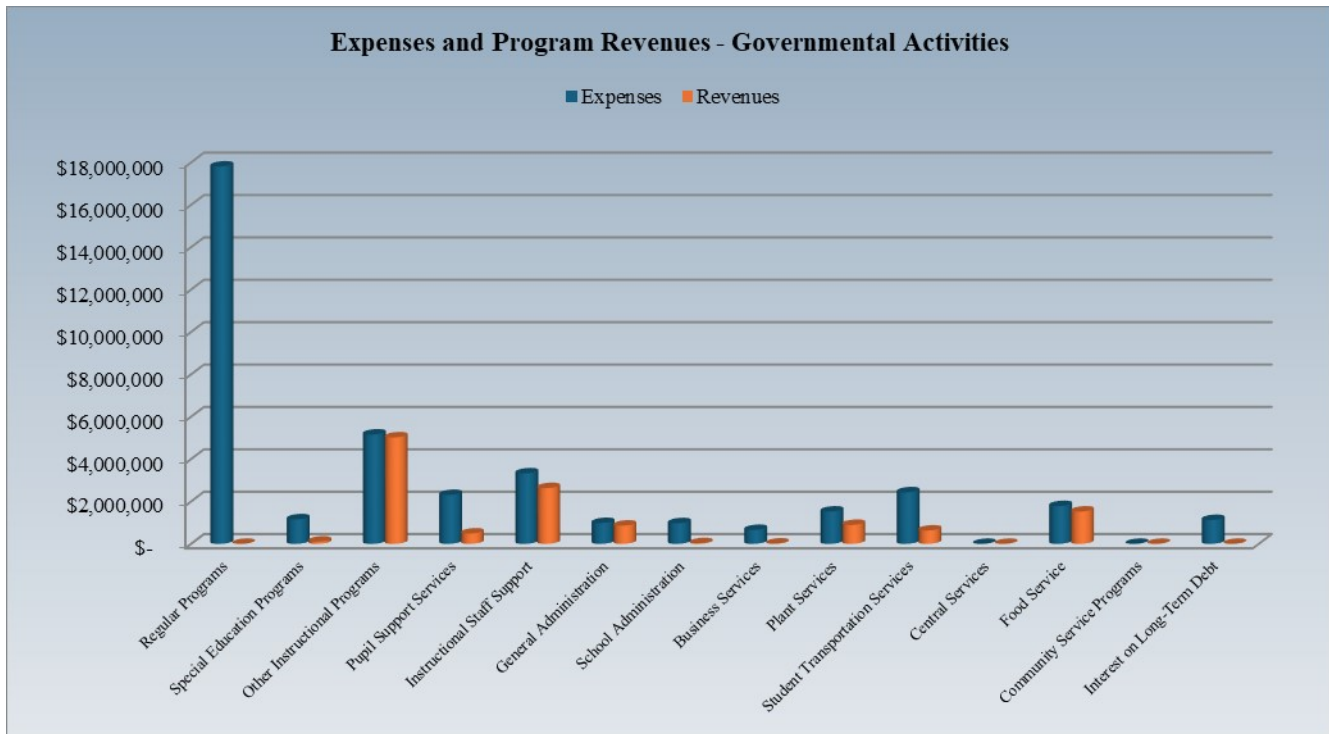
Union Parish School Board
Expenses and Program Revenues - Governmental Activities

	June 30, 2024		June 30, 2023	
	Program Expenses	Program Revenues	Program Expenses	Program Revenues
Regular Programs	\$ 17,806,350	\$ -	\$ 16,659,308	\$ 217,395
Special Education Programs	1,156,745	107,732	1,250,752	132,203
Other Instructional Programs	5,159,252	5,024,489	7,178,756	5,660,642
Pupil Support Services	2,306,668	488,325	2,340,638	659,505
Instructional Staff Support	3,325,329	2,632,720	2,458,531	1,715,486
General Administration	983,624	861,411	1,383,348	586,111
School Administration	973,997	33,955	983,648	20,068
Business Services	656,168	14,230	650,283	-
Plant Services	1,525,328	895,859	1,285,983	347,995
Student Transportation Services	2,431,649	631,209	1,874,064	634,448
Central Services	3,519	-	4,731	-
Food Service	1,782,396	1,524,420	1,697,301	1,562,779
Community Service Programs	-	-	108,057	118,726
Interest on Long-Term Debt	1,124,519	-	1,173,496	-
<u>Total Primary Government</u>	<u>\$ 39,235,544</u>	<u>\$ 12,214,350</u>	<u>\$ 39,048,896</u>	<u>\$ 11,655,358</u>
Downsville Community Charter School	5,754,702	578,478	5,397,004	1,097,316
<u>Total Governmental Activities</u>	<u>\$ 44,990,246</u>	<u>\$ 12,792,828</u>	<u>\$ 44,445,900</u>	<u>\$ 12,752,674</u>

For the fiscal year that ended June 30, 2024, total program expenses for the primary government of approximately \$39.2 million exceeded total program revenues of approximately \$12.2 million. These net program expenses of \$27,021,194 were funded with other revenues sources of the School Board. The two programs that receive the most revenue are Instructional Staff Support and Other Instructional Programs.

Revenues generated by the School Board's programs are not sufficient to cover the costs. The School Board relies on property taxes, sales taxes, MFP, investment income and other general revenues to cover the costs associated with the various programs.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024



- **Instruction:** Expenses for regular programs, special education programs, and other instructional programs are considered instruction services that are provided to kindergarten through 12th grade students. Instruction services for the fiscal year 2023-24 totaled more than \$24.1 million or 61.5% of total governmental activities.

<u>Fiscal Year</u>	<u>Regular Programs</u>	<u>Special Education Programs</u>	<u>Other Instructional Programs</u>	<u>Instruction Total</u>	<u>Increase (Decrease)</u>
2021-22	\$ 18,029,824	\$ 1,765,446	\$ 3,311,566	\$ 23,106,836	--
2022-23	16,659,308	1,250,752	7,178,756	25,088,816	8.6%
2023-24	17,806,350	1,156,745	5,159,252	24,122,347	-3.9%

As shown in the chart above, instruction services decreased approximately \$1 million. Most of the decrease for FY 2023-24 can be associated with a one-time supplement because of increased sales and use tax collections that occurred in FY 2022-23.

- **Support Services:** Support Services relate to those functions that facilitate the Instructional Services. Support services include Pupil Support, Instructional Staff Support, General Administration, School Administration, Business Services, Plant Services, Transportation Services, and Central Services. Support services for the fiscal year 23-24 totaled approximately \$12.2 million or 31.1% of total governmental activities.

<u>Fiscal Year</u>	<u>Instructional Staff Support</u>	<u>Plant Services</u>	<u>Student Transportation Services</u>	<u>Other</u>	<u>Total Support Services</u>	<u>Increase (Decrease)</u>
2021-22	\$ 1,467,598	\$ 1,357,990	\$ 2,699,990	\$ 4,388,164	\$ 9,913,742	--
2022-23	2,458,531	1,285,983	1,874,064	5,362,648	10,981,226	10.8%
2023-24	3,325,329	1,525,328	2,431,649	4,923,976	12,206,282	11.2%

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

The chart above shows that Support Services increased \$1,225,056 from the prior fiscal year. Most of the increase for FY 2023-24 can be associated with a state pay raise for administrators, custodians, maintenance workers, bus drivers, food service workers, etc. and a one-time supplement because of increased sales and use tax collections.

- **Non-Instructional Services:** Activities concerned with providing non-instructional services to students, staff or communities are defined as Non-Instructional Services. The only services provided by the Union Parish School Board for this category are Food Service Operations. For fiscal year 2023-24, total expenditures exceeded \$1.8 million or 4.5% of total governmental activities.

<u>Fiscal Year</u>	<u>Food Service</u>	<u>Community Service Programs</u>	<u>Total Non-Instructional Services</u>	<u>Increase (Decrease)</u>
2021-22	\$ 1,059,101	\$ -	\$ 1,059,101	--
2022-23	1,697,301	108,057	1,805,358	70.5%
2023-24	1,782,396	-	1,782,396	-1.3%

Referring to the chart shown above, Food Service decreased approximately \$23,000 and Community Service Programs decreased approximately \$108,057. Food Service increases can be attributed to the state pay raise for support workers and a one-time supplement because of increased sales and use tax collections.

- **Debt Service :** The remaining \$1,124,519 (2.9%) of total governmental activities consists of interest expense on long-term obligations.

<u>Fiscal Year</u>	<u>Interest and Other Charges</u>	<u>Increase (Decrease)</u>
2021-22	\$ 1,231,101	--
2022-23	1,173,496	-4.7%
2023-24	1,124,519	-4.2%

Debt Service expenditures decreased \$48,977 and is due to a decrease in principal and interest payments on the outstanding bond issues. The final long-term debt payment will occur in the fiscal year 2035-36 unless additional debt is issued.

Financial Analysis of Governmental Funds

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

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

- As of the close of the current fiscal year, the Union Parish School Board's governmental funds reported a combined ending fund balance of \$10,931,212, a decrease of \$1,382,189 in comparison with the prior fiscal year as shown in the chart below.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Union Parish School Board
Governmental Funds Balance Sheet

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
ASSETS			
Cash and cash equivalents	\$ 8,842,947	\$ 9,788,170	\$ (945,223)
Receivables	4,699,029	5,562,679	(863,650)
Interfund Receivables	2,997,548	3,249,143	(251,595)
Inventory	46,726	51,733	(5,007)
Total Assets	<u>16,586,250</u>	<u>18,651,725</u>	<u>(2,065,475)</u>
LIABILITIES			
Accounts, salaries, and other payables	2,657,490	3,089,181	(431,691)
Interfund Payables	2,997,548	3,249,143	(251,595)
Total Liabilities	<u>5,655,038</u>	<u>6,338,324</u>	<u>(683,286)</u>
FUND BALANCE			
Nonspendable	46,726	51,733	(5,007)
Restricted	2,184,740	2,037,762	146,978
Committed	6,589,965	7,351,630	(761,665)
Unassigned	2,109,781	2,872,276	(762,495)
Total Fund Balance	<u>10,931,212</u>	<u>12,313,401</u>	<u>(1,382,189)</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 16,586,250</u>	<u>\$ 18,651,725</u>	<u>\$ (2,065,475)</u>

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

The General Fund is the only fund required by Board policy to have a minimum reserve level that are intended to provide the School Board with options when responding to unexpected issues and to afford a buffer against shocks and other forms of risk. The six most important purposes of these reserve policies are to help (1) plan for contingencies and unforeseen events, (2) maintain good standing with rating agencies, (3) avoid interest expense, (4) generate investment income, (5) ensure cash availability when revenue is unavailable, and (6) create a better working relationship between the School Board and staff. The key factors of the reserve levels for governmental funds are described as follows:

- General Fund – A minimum reserve levels of 15% of total General Fund expenditures was achieved by the school system in FY 2023-24. When comparing the ending fund balance of approximately \$6.4 million to total expenditures of \$28.5 million, the actual percent was 22.4%.

General Fund Reserve Designation	Ending Fund Balance 6/30/2024	Total Expenditures FY 2023-24	% of Ending Fund Balance to Expenditures
Committed - Minimum Required 15%			
Property & Casualty Reserve	\$ 125,000		
Severance Pay Reserve	384,267		
General Liability Reserve	250,000		
Catastrophic Reserve	2,380,454		
Other Reserve	1,141,988		
<u>Undesignated Fund Balance</u>	<u>2,109,781</u>		
Total	\$ 6,391,490	\$ 28,544,724	22.4%

- Special Revenue Funds – All of the funds accounted for in the Special Revenue Fund, except for School Food Service Fund and the Student Activity Fund shown below, will not carry a beginning or ending fund balance because they are grants from the Federal Government and are shown below.

Special Revenue Fund Reserve Designation	Ending Fund Balance 6/30/2024	Ending Fund Balance 6/30/2023	Percentage Increase or (Decrease)
School Food Service Fund			
Nonspendable	\$ 46,726	\$ 51,733	-9.7%
Restricted Fund Balance	275,044	393,006	-30.0%
Student Activity Fund			
<u>Restricted Fund Balance</u>	<u>410,021</u>	<u>354,619</u>	15.6%
Total	\$ 731,791	\$ 799,358	

The School Food Service Fund restricted decreased 30% while the Student Activity Fund increased 15.6%. For the School Food Service reserve, the non-spendable portion of the fund balance which is \$46,726 is directly tied to the inventory of food while the restricted fund balance of \$275,044 can be used for future expenditures for all food service programs where USDA revenues are received. The restricted fund balance for the Student Activity Fund can be used in the future for classes, clubs, athletics, etc. at Union Parish Elementary and Union Parish High Schools only.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

- Debt Service Fund – The Debt Service Fund is used to accumulate monies for the payment of all outstanding bond issues. A separate Debt Service Fund is set up each time a tax proposition for school construction is approved by the voters; therefore, the Board maintains two individual Debt Service Funds. The Board does not require the reserve levels for all outstanding issues. The chart below shows all funds with outstanding bond issues and their reserve percentages.

Debt Service Fund Reserve Designation	Ending Fund Balance 6/30/2024	FY 2024-25 Principal & Interest Payments	% of Ending Fund Balance to Next Fiscal Year Debt Payments
General Obligation Bonds	\$ 1,337,476	\$ 2,867,647	46.6%
<u>Limited Tax Revenue Bonds</u>	<u>162,199</u>	<u>226,438</u>	71.6%
Total Restricted Fund Balance	\$ 1,499,675	\$ 3,094,085	

The Debt Service has a total restricted fund balance of \$1.5 million on June 30, 2024, that is used to pay outstanding principal and interest payments on long-term debt. Both outstanding issues have sufficient money in reserve to meet any unexpected drop in ad valorem tax revenues or sales and uses tax revenues.

- Capital Projects Fund – The Capital Projects Fund was set up in FY 2022-23 when the Union Parish School Board sold the former Downsville School to the Downsville Community Charter School. The proceeds from this sale, along with Sales & Use Tax Revenues added in future fiscal years, will be used to construct a new building at the Union Parish High School, to add more bleachers at the football stadium, and other capital projects to be approved by the Board.

Capital Projects Fund Reserve Designation	Ending Fund Balance 6/30/2024	Ending Fund Balance 6/30/2023	Percentage Increase or (Decrease)
Committed Fund Balance Capital Projects Fund	\$ 2,308,256	3,438,090	-32.9%

It should be noted that Capital Projects Funds differs from all other funds because of the method of financing. Revenues are often received in one fiscal year while the payment for capital project expenditures extends over multiple fiscal years. As a result, the Capital Projects Funds will either show large surpluses or large deficits. This is why the committed fund balance for Capital Projects in FY 2023-24 decreased \$1.1 million or 32.9% from the prior fiscal year.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

General Fund Budgetary Highlights

The original 2023-24 fiscal year operating budget for the School Board was adopted on September 11, 2023, and the final budget amendment was adopted on September 10, 2024. Differences between the original budget, the final amended budget, and the actual results of the General Fund are as follows:

Union Parish School Board
General Fund - Fund Balance

	Original	Final	Difference
Ad Valorem	\$ 2,992,291	\$ 2,958,658	\$ (33,633)
Sales Taxes	9,551,079	9,696,835	145,756
Interest Earnings	275,026	275,400	374
State Equalization	13,637,258	13,013,958	(623,300)
Other general revenues	814,000	1,425,771	611,771
Total	<u>27,269,654</u>	<u>27,370,622</u>	<u>100,968</u>
Regular Programs	16,691,336	17,155,488	464,152
Special Education Programs	1,146,327	1,193,956	47,629
Other Instructional Programs	1,503,044	1,400,196	(102,848)
Support Services	9,276,804	8,814,812	(461,992)
Facility Acquisition & Construction	-	1,000	1,000
Total	<u>28,617,511</u>	<u>28,565,452</u>	<u>(52,059)</u>
Transfers In	1,357,261	1,197,890	(159,371)
Excess (Deficiency)	<u>\$ 9,404</u>	<u>\$ 3,060</u>	<u>\$ (6,344)</u>

Revenues

- The original budget of \$3 million for Ad Valorem Tax collections was based on a projected taxable assessed value of \$154.0 million, a millage rate of 18.55 mills, and a collection rate of 99.3%. The budget was changed to \$2.96 million because the actual taxable assessed value decreased to \$151.5 million, the millage rate did not change, and the collection increased to 105.2%. This was approximately \$33,633 less than the final budget.
- The beginning budget for Sales and Use Tax revenues were expected to reach \$9.6 million for the year based on estimates from the Lincoln Parish Sales and Use Tax Commission since they collected these taxes for Union Parish. The budget increased \$145,756 to \$9.7 million. There are no significant reasons to explain the increase.
- State Equalization revenues were originally forecasted to exceed \$13.6 million in FY 2023-24. The staff used an estimated weighted student rate of \$8,021 and an estimated February 1st student count of 1,700. Even though the State of Louisiana added money to the State Equalization to fund a teacher and support staff pay increase, the loss of 89 on October 1, 2023, and a gain of 2 students on February 1, 2024, students reduced the final MFP to \$13.0 million which was a loss of approximately \$623,300.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Expenditures

- Budgeted expenditures for regular programs increased from \$16.7 million to \$17.2 million or \$464,152 because of a state pay raise for teachers and support workers and a one-time supplement from COVID funding.
- The budget for special education programs increased from \$1.5 million to \$1.9 million or \$47,629 because of a one-time supplement from COVID funding.
- Other Instructional Program decreased \$102,848.

Other Financing Sources / Uses

- The budget for Indirect Cost, listed as an Other Sources of Funds, was decreased \$159,371 due to the ESSER projects not being completed until the FY 2024-25 school year.

Net Change in Fund Balance

- The original and final budget projected a surplus exceeding \$9,000 and \$3,000, respectively. The change was an decrease of approximately \$6,000.

Capital Assets and Debt Administration

Capital Assets: The Union Parish School Board's investment in capital assets as of June 30, 2024, amounts to \$39.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of each fiscal year.

Union Parish School Board's Capital Assets
(Net of Depreciation)

	<u>2024</u>	<u>2023</u>	<u>Difference</u>
Land	\$ 33,920	\$ 33,920	\$ -
Construction in Progress	1,572,436	86,400	1,486,036
Buildings, building improvements, and land improvements	35,984,657	36,935,284	(950,627)
Furniture, equipment, and vehicles	<u>1,941,756</u>	<u>1,577,022</u>	<u>364,734</u>
Total	<u>\$ 39,532,769</u>	<u>\$ 38,632,626</u>	<u>\$ 900,143</u>

Major capital asset events during the fiscal year included the following:

- Construction in Progress was increased \$1,486,036 for the construction of a new building at the Union Parish High School that was approved by the Board.
- Building, building improvements, and land improvements dropped approximately \$950,627 due to current year depreciation.
- Furniture, equipment, and vehicles increased approximately \$364,734 because 12 pieces of equipment and 2 vehicles were purchased.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Long-Term Debt: At the end of the current fiscal year, the Union Parish School Board had total bonded debt outstanding exceeding \$34.9 million. Of this amount, the General Obligation Bonds total \$33,790,000 and the Limited Tax Revenue Bonds are \$2,670,000. Both long-term debt issues are backed by the full faith and credit of the government. The following table summarizes bonds outstanding on June 30th for the past two fiscal years.

Union Parish School Board's Outstanding Debt

	<u>2024</u>	<u>2023</u>	<u>Difference</u>
General Obligation Bonds	\$ 32,175,000	\$ 33,790,000	\$ (1,615,000)
Limited Tax Revenue Bonds	2,500,000	2,670,000	(170,000)
Premium on Bonds	<u>228,862</u>	<u>248,164</u>	<u>(19,302)</u>
Total	<u>\$ 34,903,862</u>	<u>\$ 36,708,164</u>	<u>\$ (1,804,302)</u>

Long-term debt issues for fiscal year 2023-2024 include the following:

- Principal payments were made during the fiscal year that reduced the total outstanding debt by \$1,785,000.
- The School Board monitors compliance with Louisiana Revised Statute 39:562 that restricts incurring long-term General Obligation Bonds in excess of 35% of the assessed value of taxable property. As of June 30, 2024, the statutory limit was approximately \$68 million, and the outstanding net bonded debt totaled approximately \$31 million.

For additional information regarding capital assets and long-term debt, see Note 5 and Note 10 in the Notes to the Financial Statements section.

Economic Factors and Next Year's Budgets and Rates

Listed below are several economic factors that will alter the original budget for FY 2024-2025.

- Information from the Union Parish Tax Assessor shows the taxable values of property tax assessments will increase 0.38% from \$156.6 million to \$157.2 million. Because of this increased assessment, total ad valorem collections are expected to increase General Fund revenues approximately \$11,335.
- The original budget for Sales & Use Tax revenues showed total collections for all funds at \$10.3 million. After looking at the first four months of the new fiscal year since July 2024, monthly collections have increased 0.7% over the same 4-month period for the previous fiscal year.
- The original budget that was approved in September 2024 used a budget estimate for the Minimum Foundation Program (MFP) revenues at approximately \$12.9 million. No change is anticipated at this time.
- The original budget for the Beginning Fund Balance was estimated to be \$3.2 million. These changes would keep the General Fund – Ending Fund Balance at 23.4% of the total General Fund expenditures which meets the 15% minimum balance requirement mandated by School Board Policy.

UNION PARISH SCHOOL BOARD
Farmerville, Louisiana
Management's Discussion and Analysis
June 30, 2024

Requests for Information

This financial report is designed to provide a general overview of the Union Parish School Board's finances for all those with an interest in the School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Superintendent of the Union Parish School Board, 1206 Marion Highway, Farmerville, Louisiana 71241, or by calling (318) 368-9715.

BASIC FINANCIAL STATEMENTS:

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

UNION PARISH SCHOOL BOARD

STATEMENT OF NET POSITION
June 30, 2024

Statement A

	PRIMARY GOVERNMENT	COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	DOWNSVILLE COMMUNITY CHARTER, INC.
ASSETS		
Cash and cash equivalents	\$ 8,842,947	\$ 1,526,595
Restricted cash	-	126,013
Restricted investments	-	6,681,242
Interest receivables	-	26,385
Receivables	4,699,029	128,540
Inventory	46,726	-
Prepaid items	-	9,426
Due from primary government	-	89,613
Capital assets:		
Land and construction in progress	1,606,356	269,916
Depreciable assets, net of depreciation	37,926,413	8,129,727
TOTAL ASSETS	53,121,471	16,987,457
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	5,644,298	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,644,298	-
LIABILITIES		
Accounts, salaries and other payables	2,555,572	563,980
Retainage payable	101,918	166,391
Interest payable	370,533	33,249
Long-term liabilities:		
Long-term debt due within one year:		
Bonds, leases, claims, compensated absences	2,731,098	81,630
Long-term debt due within more than one year:		
Bonds, leases, claims, compensated absences	32,863,862	11,795,028
OPEB liability	30,394,098	-
Net pension liability	16,466,745	-
TOTAL LIABILITIES	85,483,826	12,640,278
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	4,836,624	-
Deferred inflows related to pensions	1,528,778	-
TOTAL DEFERRED INFLOWS OF RESOURCES	6,365,402	-
NET POSITION		
Net investment in capital assets	4,526,989	8,399,643
Restricted for:		
School Food Service	275,044	-
Student activity funds	410,021	127,326
Debt service	1,129,142	-
Unrestricted	(39,424,655)	(4,179,790)
TOTAL NET POSITION	\$ (33,083,459)	\$ 4,347,179

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNION PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024**

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT	COMPONENT UNIT
<i>Governmental activities:</i>					
Instruction:					
Regular programs	\$ 17,806,350	\$ -	\$ -	\$ (17,806,350)	\$ -
Special education programs	1,156,745	-	107,732	(1,049,013)	-
Other instructional programs	5,159,252	-	5,024,489	(134,763)	-
Support services:					
Pupil support	2,306,668	-	488,325	(1,818,343)	-
Instructional staff support	3,325,329	-	2,632,720	(692,609)	-
General administration	983,624	-	861,411	(122,213)	-
School administration	973,997	-	33,955	(940,042)	-
Business services	656,168	-	14,230	(641,938)	-
Plant services	1,525,328	-	895,859	(629,469)	-
Student transportation services	2,431,649	-	631,209	(1,800,440)	-
Central services	3,519	-	-	(3,519)	-
Food services	1,782,396	18,929	1,505,491	(257,976)	-
Interest on long-term debt	1,124,519	-	-	(1,124,519)	-
Total Primary Government	<u>39,235,544</u>	<u>18,929</u>	<u>12,195,421</u>	<u>(27,021,194)</u>	<u>-</u>
Component Unit					
Downsville Community Charter, Inc.	<u>\$ 5,754,702</u>	<u>\$ 13,330</u>	<u>\$ 565,148</u>	<u>-</u>	<u>(5,176,224)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes				2,970,226	-
Property taxes, levied for debt services				2,910,582	-
Sales taxes, levied for general purposes				10,356,657	-
Grants and contributions not restricted to specific programs					
Minimum Foundation Program				12,519,084	5,673,497
State revenue sharing				66,250	-
Other grants				35,610	-
Interest and investment earnings				517,728	40,594
Miscellaneous				815,402	239,187
Total general revenues				<u>30,191,539</u>	<u>5,953,278</u>
Changes in net position				<u>3,170,345</u>	<u>777,054</u>
Net position - beginning, as originally stated				(35,996,875)	3,570,125
Prior period change due to error correction				<u>(256,929)</u>	<u>-</u>
Net position - beginning, as restated				<u>(36,253,804)</u>	<u>3,570,125</u>
Net position - ending				<u>\$ (33,083,459)</u>	<u>\$ 4,347,179</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

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BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

UNION PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2024

	GENERAL	ESSA PROGRAMS	EDUCATION STABILIZATION	21st CENTURY
ASSETS				
Cash and cash equivalents	\$ 4,214,686	\$ 2,653	\$ -	\$ -
Receivables	973,858	797,466	1,921,932	626,070
Interfund receivables	2,997,548	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	8,186,092	800,119	1,921,932	626,070
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	1,794,602	210,124	255,995	102,305
Interfund payables	-	589,995	1,644,687	523,765
Retainage payable	-	-	21,250	-
TOTAL LIABILITIES	1,794,602	800,119	1,921,932	626,070
FUND BALANCES:				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	4,281,709	-	-	-
Unassigned	2,109,781	-	-	-
TOTAL FUND BALANCES	6,391,490	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,186,092	\$ 800,119	\$ 1,921,932	\$ 626,070

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

DEBT SERVICE	CAPITAL PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL
\$ 1,466,500	\$ 2,368,673	\$ 790,435	\$ 8,842,947
33,175	20,251	326,277	4,699,029
-	-	-	2,997,548
-	-	46,726	46,726
<u>1,499,675</u>	<u>2,388,924</u>	<u>1,163,438</u>	<u>16,586,250</u>
-	-	192,546	2,555,572
-	-	239,101	2,997,548
-	80,668	-	101,918
<u>-</u>	<u>80,668</u>	<u>431,647</u>	<u>5,655,038</u>
-	-	46,726	46,726
1,499,675	-	685,065	2,184,740
-	2,308,256	-	6,589,965
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,109,781</u>
<u>1,499,675</u>	<u>2,308,256</u>	<u>731,791</u>	<u>10,931,212</u>
<u>\$ 1,499,675</u>	<u>\$ 2,388,924</u>	<u>\$ 1,163,438</u>	<u>\$ 16,586,250</u>

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UNION PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2024

Statement D

Total fund balances - governmental funds \$ 10,931,212

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 50,665,826	
Accumulated depreciation	<u>(11,133,057)</u>	
		39,532,769

Deferred outflows/inflows related to pensions and OPEB are not due and payable in the current period and accordingly are not reported in the fund financial statements.

Deferred outflows related to pensions	5,644,298
Deferred inflows related to pensions	(1,528,778)
Deferred inflows related to OPEB	(4,836,624)

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.

Balances at June 30, 2024 are:

Long-term liabilities		
Bonds payable	(34,675,000)	
Premium on bonds	(228,862)	
Compensated absences payable	(691,098)	
Net pension liability	(16,466,745)	
OPEB liability	(30,394,098)	
Interest payable	<u>(370,533)</u>	
		<u>(82,826,336)</u>

Net Position - Governmental Activities	\$ <u><u>(33,083,459)</u></u>
--	-------------------------------

UNION PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2024**

	GENERAL	ESSA PROGRAMS	EDUCATION STABILIZATION	21st CENTURY
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 2,970,226	\$ -	\$ -	\$ -
Sales and use	9,676,515	-	-	-
Interest earnings	325,668	-	-	-
Food service	-	-	-	-
Other	287,979	-	-	-
State sources:				
Minimum Foundation Program	12,506,676	-	-	-
Other	1,531,300	-	-	-
Federal sources	-	2,387,879	4,431,095	1,494,980
TOTAL REVENUES	27,298,364	2,387,879	4,431,095	1,494,980
EXPENDITURES				
Current:				
Instruction:				
Regular programs	17,242,079	-	-	-
Special education programs	1,164,477	-	-	-
Other instructional programs	1,410,301	1,140,738	1,172,909	958,348
Support services:				
Pupil support	1,926,148	173,517	70,801	-
Instructional staff support	832,894	813,291	1,006,718	321,021
General administration	897,600	-	7,494	-
School administration	986,409	-	33,955	-
Business services	660,533	-	14,230	-
Plant services	1,436,615	-	152,212	11,959
Student transportation services	1,974,608	-	547,296	58,138
Central services	3,519	-	-	-
Food services	-	-	59,676	17,044
Facilities acquisition & construction	9,541	50,215	681,473	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
TOTAL EXPENDITURES	28,544,724	2,177,761	3,746,764	1,366,510
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (1,246,360)	\$ 210,118	\$ 684,331	\$ 128,470

Statement E

DEBT SERVICE	CAPITAL PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL
\$ 2,910,582	\$ -	\$ -	\$ 5,880,808
289,996	226,818	163,328	10,356,657
45,996	131,685	14,379	517,728
-	-	18,929	18,929
-	-	527,423	815,402
-	-	12,408	12,519,084
-	-	-	1,531,300
-	-	2,452,027	10,765,981
<u>3,246,574</u>	<u>358,503</u>	<u>3,188,494</u>	<u>42,405,889</u>
-	-	-	17,242,079
-	-	62,128	1,226,605
-	-	625,243	5,307,539
-	-	244,007	2,414,473
-	-	452,080	3,426,004
89,713	2,301	1,348	998,456
-	-	-	1,020,364
-	-	-	674,763
-	-	-	1,600,786
-	-	25,775	2,605,817
-	-	-	3,519
-	-	1,759,436	1,836,156
-	1,486,036	-	2,227,265
1,785,000	-	-	1,785,000
<u>1,162,323</u>	<u>-</u>	<u>-</u>	<u>1,162,323</u>
<u>3,037,036</u>	<u>1,488,337</u>	<u>3,170,017</u>	<u>43,531,149</u>
\$ 209,538	\$ (1,129,834)	\$ 18,477	\$ (1,125,260)

(CONTINUED)

UNION PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2024**

	GENERAL	ESSA PROGRAMS	EDUCATION STABILIZATION	21st CENTURY
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 1,108,963	\$ -	\$ -	\$ -
Transfers out	<u>-</u>	<u>(210,118)</u>	<u>(684,331)</u>	<u>(128,470)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,108,963</u>	<u>(210,118)</u>	<u>(684,331)</u>	<u>(128,470)</u>
Net Change in Fund Balances	<u>(137,397)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - BEGINNING, AS ORIGINALLY STATED	6,785,816	-	-	-
Prior period change due to an error correction	<u>(256,929)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - BEGINNING, AS RESTATED	<u>6,528,887</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ 6,391,490</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

DEBT SERVICE	CAPITAL PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL
\$ -	\$ -	\$ -	\$ 1,108,963
-	-	(86,044)	(1,108,963)
-	-	(86,044)	-
209,538	(1,129,834)	(67,567)	(1,125,260)
1,290,137	3,438,090	799,358	12,313,401
-	-	-	(256,929)
1,290,137	3,438,090	799,358	12,056,472
<u>\$ 1,499,675</u>	<u>\$ 2,308,256</u>	<u>\$ 731,791</u>	<u>\$ 10,931,212</u>

(CONCLUDED)

UNION PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities For the Year Ended June 30, 2024

Statement F

Total net change in fund balances - governmental funds	\$	(1,125,260)	
Amounts reported for governmental activities in the Statement of Activities are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the period:			
Depreciation expense	\$	(1,342,936)	
Capital outlays		<u>2,243,079</u>	900,143
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position.			
Repayment of bond debt			1,785,000
Bond premiums are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, bond premiums increase long-term debt and are amortized over the life of the bonds.			
Amortization of bond premiums			19,302
In the Statement of Activities, certain operating expenses - compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned was less than amounts used.			
			77,436
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.			
			1,617,342
The decrease in the OPEB liability, deferred inflows, and deferred outflows is reported in the Statement of Activities and does not require the use of current financial resources so it is not reported as expenditures in governmental funds.			
			(122,120)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.			
			<u>18,502</u>
Change in net position of governmental activities	\$	<u><u>3,170,345</u></u>	

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

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Union Parish School Board
Notes to the Financial Statements
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying basic financial statements of the Union Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

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

The School Board operates two schools within the parish with a total enrollment of approximately 1,309 pupils which does not include the enrollment of Downsville Community Charter, Inc. 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.

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Statements, 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.

Downsville Community Charter, Inc. is included in the reporting entity because it is fiscally dependent on the school system for much of its revenue. Minimum Foundation Programs funds of \$5,673,497 were passed through to Downsville Community Charter, Inc. during the year ended June 30, 2024. The School Board has the authority to revoke the charter and exclusion would cause the reporting entity's financial statements to be incomplete. Downsville Community Charter, Inc. was established as a 501(c)(3) not-for-profit organization to operate Downsville Community Charter School. As such, it follows the guidance of the Financial Accounting Standards Board (FASB). Copies of the audit report may be obtained from the School Board.

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

The funds of the School Board are classified as governmental funds. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follow:

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

General Fund The general fund is the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

ESSA Programs This fund accounts for federal sources to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

Education Stabilization This fund accounts for federal sources funded by the CARES Act and American Rescue Plan Act to assist the School Board in meeting the challenges in providing educational services as a result of the COVID-19 pandemic.

21st Century This fund accounts for federal sources to expand community learning centers that provide students with academic enrichment opportunities during non-school hours or periods when school is not in session.

Debt Service This fund accounts for resources for debt payments and principal and interest payments on debt.

Capital Projects This fund accounts for resources obtained from the sale of the former Downsville School to the Downsville Community Charter School and will be used to construct a new building at the Union Parish High School, to add more bleachers at the football stadium, and other capital projects to be approved by the Board.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole.

The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

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

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

Fund Financial Statements (FFS)

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

Expenditures are recorded when the related liability is incurred, except for unmatured principal and interest on long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

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

Revenues

Ad valorem and sales taxes are susceptible to accrual.

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

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

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30. Substantially all other expenditures are recognized when the related fund liability is incurred.

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

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

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

E. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables/payables on the fund financial statements balance sheet.

F. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

G. INVENTORY AND PREPAID ITEMS Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when consumed; however, all inventory items are recorded as expenditures when purchased. Unused commodities at June 30 are reported as unearned revenues. All purchased inventory items are valued at cost using first in, first out (FIFO) method, and commodities are assigned values based on information provided by the U. S. Department of Agriculture.

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. CAPITAL ASSETS Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold for assets other than intangible assets, is \$5,000. Intangibles, such as software, with an initial individual cost of \$100,000 or more and an estimated useful life of one year or more are considered capital assets. Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	10 - 50 years
Furniture and equipment	3 - 10 years
Intangibles – software	3 - 10 years

Public domain (infrastructure) capital assets (parking lots, sidewalks, and other assets that are immovable and of value only to the government) were capitalized as part of the construction cost of the buildings. Subsequent infrastructure improvements are capitalized as land improvements.

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

J. COMPENSATED ABSENCES 12-month full-time employees earn ten days or more of cumulative leave each year, based upon years of service. No more than 15 days of vacation leave may be accumulated as of June 30th. Upon termination, resignation, or retirement, any unused annual leave shall be paid at the employee's rate of pay. The maximum number of days the system shall pay an employee is 25 days.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

All 12-month employees earn from twelve to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay.

Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

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

GASB Statement 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals. The School Board uses this approach. The School Board accrues those employees that have a minimum experience of 1 year.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

K. LONG-TERM LIABILITIES Bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Deferred gains on refunding are capitalized and amortized over the life of refunding in the GWFS.

The School Board provides certain continuing medical, dental, vision and life insurance benefits for its retired employees. The OPEB Plan is a single employer defined benefit "substantive plan" as understood by past practices of the School Board.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems' fiduciary net position have been determined on the accrual basis, as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two items that qualify as deferred outflows of resources which are related to pension obligations and other post-employment benefits. See notes 6 and 7 for additional information.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has two items that qualify as deferred inflows of resources which are related to pension obligations and other post-employment benefits. See notes 6 and 7 for additional information.

M. RESTRICTED NET POSITION For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use is either:

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Restricted net position reported in the Statement of Net Position as debt service is restricted by enabling legislation.

N. FUND EQUITY OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

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

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

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. The Board is the highest level of decision making authority for the School Board that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

Unassigned: Fund balance that is the residual classification for the general fund.

The School Board reduces unassigned amounts, followed by assigned amounts and then committed amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The School Board considers restricted amounts to have been spent when an expenditure has incurred for purposes for which both restricted and unrestricted fund balance is available. A minimum fund balance of 15% of total general fund expenditures shall be maintained.

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

P. SALES TAXES The School Board has the following three sales tax ordinances:

On May 19, 1979, the voters of Union Parish approved a one percent sales and use tax to be collected within Union Parish to be used for the payment of salaries and retirement benefits for school teachers and other school employees and/or maintaining and operating school buildings. The tax is for an indefinite period of time.

On January 20, 2001, the voter of Union Parish approved a one percent sales and use tax to be collected within Union Parish to be used 85% for paying salaries and benefits of teachers and other school employees and 15% to be used for constructing, improving, maintaining, and operating public schools, including authority to fund a portion of the sales tax into bonds. The tax is for an indefinite period of time.

On May 3, 2014, the voters of Union Parish approved a one percent sales and use tax to be collected within Union Parish to be used for the purpose of operating and maintaining schools and school related facilities, including paying salaries and benefits of teachers and other school personnel. The tax is for an indefinite period of time.

Q. BUDGETS

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

State statute requires budgets be adopted for the general fund and all special revenue funds except student activity funds.

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level by fund; except for special revenue funds, which are controlled at the fund level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the Board.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. 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 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 within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level for the general fund and at the fund level for special revenue funds. Management can transfer amounts between line items within a function.

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One fund had actual expenditures over budgeted expenditures for the year ended June 30, 2024, as detailed below:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Education Stabilization	\$3,745,974	\$3,746,764	(\$790)

R. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Union Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Union Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

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

Property Tax Calendar

Levy date	October 13, 2023
Tax bills mailed	October 26, 2023
Due date	December 31, 2023
Lien date	May 12, 2024
Tax sale date - 2023 delinquent property	June 12, 2024

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2024. Total assessed value was \$194,502,482 in the calendar year 2023. Louisiana state law exempts the first \$75,000 of the assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$37,306,236 of the assessed value in calendar year 2023.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the

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enforceable legal claim date. Property tax revenue is recognized in the period for which the taxes are levied (budgeted).

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 3 property taxes occurs in December, and January and February of the next year.

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

The following is a summary of authorized and levied ad valorem taxes:

	Adjusted Maximum Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Constitutional	3.55	3.55	Statutory
Maintenance and operations	15.00	15.00	2032
Debt Service	Variable	19.00	2034

NOTE 3 - DEPOSITS AND INVESTMENTS Deposits are stated at cost, which approximated fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in the holding or custodial bank that is mutually acceptable to both parties.

Interest Rate Risk: The School Board's policy does not address interest rate risk.

Credit Risk: The School Board's policy does not address credit rate risk.

Custodial Credit Risk: At year-end the school Board's carrying amount of deposits was \$8,842,947 and the bank balance was \$10,063,185. Of the bank balance, \$269,510 was covered by federal depository insurance and the remaining balance was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. The School Board's policy does not address custodial risk. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES The balance of receivables at June 30, 2024, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	ESSA Programs	Education Stabilization	21st Century	Debt Service	Capital Projects	Nonmajor Governmental	Total
Taxes:								
Sales and use	\$ 864,161	\$ -	\$ -	\$ -	\$ 25,891	\$ 20,251	\$ -	\$ 910,303
Ad valorem	6,885		-	-	7,284	-	-	14,169
Intergovernmental-grants:								
Federal	-	797,466	1,921,932	626,070	-	-	326,277	3,671,745
State	102,812	-	-	-	-	-	-	102,812
Total	<u>\$ 973,858</u>	<u>\$ 797,466</u>	<u>\$ 1,921,932</u>	<u>\$ 626,070</u>	<u>\$ 33,175</u>	<u>\$ 20,251</u>	<u>\$ 326,277</u>	<u>\$ 4,699,029</u>

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NOTE 5 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2024 are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Nondepreciable capital assets				
Land	\$ 33,920	\$ -	\$ -	\$ 33,920
Construction in Progress	86,400	1,486,036	-	1,572,436
Total nondepreciable capital assets	<u>120,320</u>	<u>1,486,036</u>	<u>-</u>	<u>1,606,356</u>
Depreciable capital assets				
Land Improvements	3,414,674	-	-	3,414,674
Buildings	40,313,564	111,727	-	40,425,291
Furniture and equipment	4,574,189	645,316	-	5,219,505
Total depreciable capital assets	<u>48,302,427</u>	<u>757,043</u>	<u>-</u>	<u>49,059,470</u>
Less accumulated depreciation				
Land Improvements	708,676	170,449	-	879,125
Buildings	6,084,278	891,905	-	6,976,183
Furniture and equipment	2,997,167	280,582	-	3,277,749
Total accumulated depreciation	<u>9,790,121</u>	<u>1,342,936</u>	<u>-</u>	<u>11,133,057</u>
Total depreciable capital assets, net	<u>38,512,306</u>	<u>(585,893)</u>	<u>-</u>	<u>37,926,413</u>
Governmental activities				
Capital assets, net	<u>\$ 38,632,626</u>	<u>\$ 900,143</u>	<u>\$ -</u>	<u>\$ 39,532,769</u>

The beginning balances of capital assets were adjusted after review of original purchase prices, reclassification of asset categories and removal of capital assets sold in prior years. Accumulated depreciation was adjusted after review of acquisition dates, asset valuation and useful lives of capital assets.

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 961,663
Special education programs	2,137
Other instructional programs	79,292
Business services	3,206
Plant services	58,730
Student transportation services	213,963
Food services	<u>23,945</u>
Total depreciation expense	<u>\$ 1,342,936</u>

NOTE 6 - PENSION PLANS

The School Board is a participating employer in two statewide, public employee retirement systems, the Louisiana School Employees' Retirement System (LSERS) and the Teacher's Retirement System of Louisiana (TRSL). Both systems have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contribution rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all

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sub-plans administered by these systems to the State Legislature. Each system issues a public report that includes financial statements and required supplementary information. Copies of these reports for LSERS and TRSL may be obtained at www.lsers.net and www.trsl.org, respectively.

TRSL also administers an optional retirement plan (ORP), which was created by Louisiana Revised Statute 11:921-931 for academic and administrative employees of public institutions of higher education and is considered a defined contribution plan (see Optional Retirement Plan note below). A portion of the employer contributions for ORP plan members is dedicated to the unfunded accrued liability of the TRSL defined benefit plan.

General Information about the Pension Plans

Plan Descriptions/Benefits Provided:

Louisiana School Employees' Retirement System: LSERS administers a plan to provide retirement, disability, and survivor's benefits to non-teacher school employees excluding those classified as lunch workers and their beneficiaries as defined in R.S. 11:1001. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:1141-1153 and vary depending on the member's hire date.

A member who joined the system on or after July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62. A member who joined between July 1, 2010 and June 30, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, or 10 years of creditable service and is at least age 60. All members are eligible for retirement with 20 years of creditable service regardless of age with an actuarially reduced benefit.

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

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service who has withdrawn from active service prior to the age at which that person is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

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Teachers' Retirement System of Louisiana: TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a “teacher” as provided for in R.S. 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761 and vary depending on the member’s hire date. The computation for retirement benefits is defined in R.S. 11:768. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 30 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 years of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member’s average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

Under R.S. 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. Members employed prior to January 1, 2011 receive disability benefits equal to 2½% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been an active member at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2½% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. Benefits are paid for life to a qualified handicapped child.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

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Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions are used to fund the TRSL defined benefit plans' unfunded accrual liability.

Employer contributions to LSERS for fiscal year 2024 were \$283,673 with active member contributions ranging from 7.5% to 8%, and employer contributions of 27.6%. Employer defined benefit plan contributions to TRSL for fiscal year 2024 were \$2,377,638, with active member contributions of 8%, and employer contributions of 24.1%. Non-employer contributions to TRSL, which are comprised of \$78,359 from ad valorem taxes and revenue sharing funds and \$409 from the State for PIP salaries, totaled \$78,768 for fiscal year 2024. These non-employer contributions were recorded as revenue and were used as employer contributions.

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

At June 30, 2024, the School Board reported liabilities of \$1,563,507 and \$14,903,238 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2023, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2023, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were .258437%, or a decrease of .080687% for LSERS and .16487% or an increase of .00343% for TRSL.

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For the year ended June 30, 2024, the School Board recognized a total pension expense of \$1,043,969 or \$(267,493) and \$1,311,462 for LSERS and TRSL, respectively. The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences between expected and actual experience	\$ 45,130	\$ 699,898	\$ 745,028	\$ -	\$ 846	\$ 846
Changes of assumptions	20,879	672,159	693,038	59,083	485,960	545,043
Net difference between projected and actual earnings on pension plan investments	-	1,020,180	1,020,180	63,087	-	63,087
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,165	521,576	524,741	426,738	493,064	919,802
Employer contributions subsequent to the measurement date	283,673	2,377,638	2,661,311	-	-	-
Total	<u>\$ 352,847</u>	<u>\$ 5,291,451</u>	<u>\$ 5,644,298</u>	<u>\$ 548,908</u>	<u>\$ 979,870</u>	<u>\$ 1,528,778</u>

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 the LSERS and TRSL NPL in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	LSERS	TRSL	Total
2025	\$ (449,270)	\$ 127,425	\$ (321,845)
2026	(104,916)	(20,831)	(125,747)
2027	79,999	1,705,889	1,785,888
2028	(5,547)	121,460	115,913
	<u>\$ (479,734)</u>	<u>\$ 1,933,943</u>	<u>\$ 1,454,209</u>

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Actuarial Assumptions

The total pension liabilities for LSERS and TRSL in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	LSERS	TRSL
Valuation Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	2 years	5 years
Investment Rate of Return	6.8%, net of investment expenses	7.25%, net of investment expenses
Inflation Rate	2.5% per annum	2.4% per annum
Mortality - Non-disabled	Active member: Pub2010 General below median sex distinct employee table with full generational RP2021 scale. Non-disabled retiree/inactive members - Pub 2010 Median healthy retiree tables with full generational RP2021 scale.	Active members - Pub2010T - Below median employee (amount weighted) tables adjusted by .965 for males and .942 for females. Non-disabled retiree/inactive members - Pub2010T - Below median retiree (amount weighted) tables adjusted for 1.173 for males and 1.258 for females.
Mortality - Disabled	Disability retiree mortality - Pub2010 Non-safety disabled retiree sex distinct table with full generational RP2021 scale.	Disability retiree mortality - Pub2010T - Disability (amount weighted) tables adjusted by 1.043 for males and by 1.092 for females.
Termination, Disability, Retirement	2018-2022 experience study	2018-2022 experience study
Salary Increases	3.75%	2.41% - 4.85%
Cost of Living Adjustments	Not substantively automatic	Not substantively automatic

For LSERS the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The remaining service life of employees was changed from 3 years to 2 years in the 2023 actuarial valuation.

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For TRSL, the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting long-term geometric nominal expected rates of return are 8.72% for 2023. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized for each plan in the following table:

	Target Allocation	LT Expected Real Rate of Return
TRSL (arithmetic)		
Domestic equity	22.50%	4.55%
International equity	11.50%	5.01%
Domestic fixed income	8.00%	2.20%
International fixed income	6.00%	-0.29%
Private equity	37.00%	8.24%
Other private assets	15.00%	4.32%
Total	100.00%	
LSERS (arithmetic)		
Fixed income	26.00%	0.97%
Equity	39.00%	2.84%
Alternatives	23.00%	1.89%
Real estate	12.00%	0.61%
Total	100.00%	6.31%
Inflation		2.40%
Expected arithmetic nominal return		8.71%

Discount Rate. The discount rate used to measure the total pension liability was 6.8% for LSERS and 7.25% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the School Board's proportionate share of the NPL for LSERS and TRSL using the current discount rate as well as what the School Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
LSERS	\$ 2,244,752	\$ 1,563,507	\$ 979,495
TRSL	21,110,981	14,903,238	9,680,545

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Pension plan fiduciary net position. Detailed information about LSERS and TRSL fiduciary net position is available in the separately issued financial reports referenced above.

Payables to the Pension Plan. At June 30, 2024, the School Board had \$74,366 and \$556,429 in payables to LSERS and TRSL, respectively, for the June 2024 employee and employer legally required contributions.

Optional Retirement Plan

TRSL administers an optional retirement plan (ORP), which was created by R.S. 11:921-931 for academic and administrative employees of public institutions of higher education. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants. The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies. Benefits that are payable to participants are not the obligation of the State of Louisiana or the TRSL. Such benefits and other rights of the ORP are the liability and responsibility solely of the designated company or companies to whom contributions have been made.

R.S. 11:927 sets the contribution requirements of the ORP plan members and the employer equal to the contribution rates established for the regular retirement plan of TRSL. However, effective July 1, 2014, the employer contribution rate for amounts credited to the ORP participants who are not employed in higher education must be the greater of: (1) the employer normal cost contribution for the TRSL Regular Plan; or (2) 6.2%.

Employer ORP contributions to TRSL for fiscal year 2024 totaled \$33,271 which represents pension expense for the School Board. Employee contributions totaled \$10,082. The active member and employer contribution rates were 8% and 6.2%, respectively, with an additional contribution of 20.2% made to the TRSL defined benefit plan described above.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board's OPEB plan is a single-employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Also, no stand-alone financial report was prepared. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board. No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits.

Benefits Provided and Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a rate schedule. Contribution amounts are approximately 25% retiree/75% employer of the stated costs of healthcare coverage.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

Employees Covered by Benefit Terms - At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	190
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	139
Total	<u><u>329</u></u>

Total OPEB Liability - The School Board's total OPEB liability of \$30,394,098 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Entry age normal cost
Inflation rate	2.50%
Discount rate	4.21%
Healthcare trend	A level 4.50% trend rate was used for projecting medical costs
Mortality	RPH-2014 Total Table with Projection MP-2021
Turnover	Rates are unisex and based on age with a 3 year select period. The rates range from 9.00% in year 3 for age 25 to 4.20% in year 3 for age 55 and over
Retirement rates	Rates are unisex based on age and years of service. Rates range from 3.5% at age 50 with less than 25 years of service to 22.5% at age 66 with 30 years of service
Salary increase	None

The discount rate changed from 3.54% in fiscal year 2023 to 4.21% in fiscal year 2024. No salary experience studies were conducted. The School Board contributed \$1,567,472 utilizing the pay-as-you-go basis.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

Changes in the Total OPEB Liability:

	<u>Total OPEB Liability</u>
Balance at June 30, 2023	\$ 35,503,428
Changes for the year:	
Service cost	966,144
Interest	1,263,279
Effect of economic/demographic gains and losses	(2,944,599)
Effect of assumptions changes or inputs	(2,826,682)
Benefit payments	<u>(1,567,472)</u>
Net changes	<u>(5,109,330)</u>
Balance at June 30, 2024	<u><u>\$ 30,394,098</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 34,776,392	\$ 30,394,098	\$ 26,861,071

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rates.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 20,869,772	\$ 30,394,098	\$ 34,774,713

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2024, the School Board recognized OPEB expense of \$1,689,592. At June 30, 2024, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (2,467,790)
Changes of assumptions	-	(2,368,834)
Total	<u><u>\$ -</u></u>	<u><u>\$ (4,836,624)</u></u>

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

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

Year Ended June 30:	
2025	\$ (2,542,017)
2026	(1,738,337)
2027	(556,270)
	<u>\$ (4,836,624)</u>

NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2024, are as follows:

	General	ESSA Programs	Education Stabilization	21st Century	Capital Projects	Nonmajor Governmental	Total
Salaries	\$ 864,815	\$ 177,708	\$ 84,527	\$ 85,505	\$ -	\$ 171,977	\$ 1,384,532
Accounts	929,787	32,416	171,468	16,800	-	20,569	1,171,040
Retainage	-	-	21,250	-	80,668	-	101,918
Total	<u>\$ 1,794,602</u>	<u>\$ 210,124</u>	<u>\$ 277,245</u>	<u>\$ 102,305</u>	<u>\$ 80,668</u>	<u>\$ 192,546</u>	<u>\$ 2,657,490</u>

NOTE 9 - COMPENSATED ABSENCES At June 30, 2024, employees of the School Board have accumulated and vested \$691,098 of employee leave benefits, including \$9,878 of salary-related benefits. These employee leave benefits were computed in accordance with GASB Codification Section C60.

NOTE 10 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation debt	\$ 33,790,000	\$ -	\$ 1,615,000	\$ 32,175,000	\$ 1,865,000
Limited tax revenue bonds	2,670,000	-	170,000	2,500,000	175,000
Premium on bonds	248,164	-	19,302	228,862	
Other liabilities:					
Compensated absences	768,534	727,202	804,638	691,098	691,098
OPEB liability	35,503,428	(3,541,858)	1,567,472	30,394,098	-
Net pension liability	17,668,384	2,280,593	3,482,232	16,466,745	-
Governmental Activities					
Long-term liabilities	<u>\$ 90,648,510</u>	<u>\$ (534,063)</u>	<u>\$ 7,658,644</u>	<u>\$ 82,455,803</u>	<u>\$ 2,731,098</u>

The compensated absences liability, OPEB liability and Net pension liability will be liquidated by several of the School Board's governmental funds. In the past, approximately 80% was paid by the general fund. The general obligation bonds and the limited tax revenue bonds will be paid from the debt service fund.

The general obligation bonds were issued for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent within and for the District, and acquiring the necessary equipment and furnishings therefor, and specifically for those facilities, technology and

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

security initiatives set forth in the Capital Improvement Plan approved by the School Board on January 13, 2014 and paying the cost of issuance of the bonds. The limited tax revenue bonds were issued for the purpose of acquiring, constructing, improving, equipping, and furnishing school buildings and other school related facilities, including school buses and vehicles, and paying the cost incurred in connection with issuance of the bonds. These bonds are general obligation debt.

Pledged Revenues: Limited tax revenue bonds in the amount of \$3,600,000 were issued in January 2017. The School Board has pledged, as security for the bonds, a portion of the 3.55 mills constitutional ad valorem tax. The bonds are payable solely from the ad valorem tax collected and are payable through fiscal year end 2036. The total principal and interest remaining to be paid on the limited tax revenue bonds are \$2,500,000 and \$714,531, respectively. The School Board collected \$540,955 from the 3.55 constitutional ad valorem tax and paid \$170,000 in principal and \$107,975 in interest. The annual principal and interest payments are estimated to be 49.52% of the tax revenues of the next 12 years.

The individual bond issues for governmental activities are as follows:

<u>Bond issue - Public Offerings</u>	<u>Issue Date</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General obligation bonds						
Series 2014	7/24/2014	\$ 9,800,000	2-4%	3/1/2034	\$ 1,221,970	\$ 5,890,000
Series 2015	3/26/2015	15,000,000	2.25-5%	3/1/2035	2,136,684	10,335,000
Series 2016	3/22/2016	17,700,000	2.5-4.0%	3/1/2036	3,420,190	15,950,000
Limited tax revenue bonds						
Series 2017	1/11/2017	3,600,000	3-4.25%	3/1/2036	714,531	2,500,000
					<u>\$ 7,493,375</u>	<u>\$ 34,675,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish and general operating funds of the School Board. At June 30, 2024, the School Board has accumulated \$1,337,476 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30,	General Obligation Bonds		Limited Tax Revenue Bonds	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments
2025	\$ 1,865,000	\$ 1,002,647	\$ 175,000	\$ 102,875
2026	2,445,000	942,169	180,000	95,875
2027	2,545,000	881,189	185,000	88,675
2028	2,645,000	793,037	195,000	81,276
2029	2,750,000	719,288	200,000	73,476
2030-2034	15,485,000	1,997,223	1,085,000	241,542
2035-2036	4,440,000	443,291	480,000	30,812
Total	<u>\$ 32,175,000</u>	<u>\$ 6,778,844</u>	<u>\$ 2,500,000</u>	<u>\$ 714,531</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. On June 30, the statutory limit was \$68,075,869 and outstanding net bonded debt totaled \$30,837,524.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

NOTE 11 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund receivable/payable:

Receivable Fund	Amount	Payable Fund	Amount
General	\$ 589,995	ESSA Programs	\$ 589,995
	1,644,687	Education Stabilization	1,644,687
	523,765	21st Century	523,765
	239,101	Nonmajor Governmental	239,101
	<u>\$ 2,997,548</u>		<u>\$ 2,997,548</u>

The purpose of interfund receivable/payables is to cover expenditures on cost reimbursement programs until reimbursements are received.

Interfund transfers:

Transfers In	Amount	Transfers Out	Amount
General	\$ 210,118	ESSA Programs	\$ 210,118
	684,331	Education Stabilization	684,331
	128,470	21st Century	128,470
	86,044	Nonmajor Governmental	86,044
	<u>\$ 1,108,963</u>		<u>\$ 1,108,963</u>

The purpose of the interfund transfers was to move indirect costs from federal programs to the general fund.

NOTE 12 - FUND BALANCE CLASSIFICATION DETAILS

	General	Debt Service	Capital Projects	Nonmajor Governmental	Total
Non spendable:					
Inventory	\$ -	\$ -	\$ -	\$ 46,726	\$ 46,726
Restricted for:					
School food service	-	-	-	275,044	275,044
Student activity funds	-	-	-	410,021	410,021
Debt service	-	1,499,675	-	-	1,499,675
Committed for:					
Property & casualty deductible	125,000	-	-	-	125,000
Severance pay	384,267	-	-	-	384,267
General liability deductible	250,000	-	-	-	250,000
Catastrophic costs	2,380,454	-	-	-	2,380,454
Other committed	1,141,988	-	-	-	1,141,988
Capital improvements	-	-	2,308,256	-	2,308,256
Unassigned	2,109,781	-	-	-	2,109,781
Total	<u>\$ 6,391,490</u>	<u>\$ 1,499,675</u>	<u>\$ 2,308,256</u>	<u>\$ 731,791</u>	<u>\$ 10,931,212</u>

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

NOTE 13 - RISK MANAGEMENT The School Board is at risk for property damage, liability, and theft which are covered by commercial insurance policies. The School Board has not made any significant reductions in insurance coverage. Settled claims resulting from those risks have not exceeded commercial insurance coverage in any of the past three years.

The School Board also participates in an entity risk pool for insurance coverage, including general liability, employee fidelity, vehicle collision and liability, officer's liability, and network/cyber security insurance and the reinsurance of such coverage, in order to provide a more efficient and effective way to acquire insurance coverage. The entity risk pool is known as Property Casualty Alliance of Louisiana (PCAL), which is established only for School Boards and is overseen by a board made up of School Board Members.

The responsibilities of the School Board are to pay contributions based upon a risk-funding plan developed by the Program as well as to have a loss prevention plan to make all reasonable efforts to eliminate and minimize hazards that would contribute to property/casualty losses. The pool is responsible for handling all claims after notice of loss has been received.

NOTE 14 - LITIGATION AND CLAIMS

Litigation Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position.

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

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes that there is no tax arbitrage rebate liability at year end.

NOTE 15 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments. The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$409. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

The Parish Tax Collector makes retirement remittances to the teacher's retirement system of the State of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Tax Collector's office. For 2024, the Tax Collector paid the Teacher's Retirement System of Louisiana \$127,044. This amount was recognized as ad valorem revenue and a reduction in the School Board's required contribution to the TRSL pension plan.

Union Parish School Board
Notes to the Financial Statements
June 30, 2024

NOTE 16 - ECONOMIC DEPENDENCY The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$12,519,084 to the School Board, which represents approximately 29.5% of the School Board's total revenue for the year.

NOTE 17 - TAX ABATEMENTS The School Board is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended June 30, 2024 by authorized millage is as follows:

<u>Tax Code</u>	<u>Millage</u>	<u>Taxable Value</u>	<u>Taxpayer Exemption</u>
School - Bond	19.00	\$ 3,475,696	\$ 66,038
School Consolidated Dist. 1	15.00	3,475,696	52,135
School - Const.	3.55	3,475,696	12,339
			<u>\$ 130,512</u>

NOTE 18 - CHANGE IN PRESENTATION The fund, Early Childhood Development, was presented as major for the fiscal year ended June 30, 2023. In the current fiscal year, this fund did not meet the criteria to be presented as major, however, the 21st Century fund is presented as major.

NOTE 19 - NEW GASB STANDARDS In the current fiscal year, the School Board implemented Statement No. 100 - *Accounting Changes and Error Corrections – an amendment of GASB statement No. 62*. This statement provides guidance to enhance accounting changes and error corrections to provide more understandable, reliable, consistent, and comparable information for making decisions or assessing accountability. See Note 20 for impact on financial statements.

NOTE 20 - ACCOUNTING CHANGES AND ERROR CORRECTION An accounting error correction was made to net position and fund balance for a decrease of \$256,929. Minimum Foundation funding in prior year was inaccurately calculated for payment to Downsview Community Charter school.

Union Parish School Board

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REQUIRED SUPPLEMENTARY INFORMATION

Union Parish School Board

Schedule of Changes in the Total OPEB Liability and Related Ratios For the Last Seven Years

Exhibit 1-1

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018
Service costs	\$ 966,144	\$ 966,144	\$ 692,693	\$ 597,368	\$ 488,352	\$ 568,857	\$ 1,095,780
Interest	1,263,279	1,239,753	618,065	589,187	1,014,288	1,311,336	1,317,630
Effect of economic/demographic gains or (losses)	(2,944,599)	-	13,847,043	715,769	(6,735,877)	(2,870,829)	-
Effect of assumption changes	(2,826,682)	-	(7,579,524)	491,651	3,870,006	(2,754,934)	-
Benefit payments	<u>(1,567,472)</u>	<u>(1,515,193)</u>	<u>(1,373,977)</u>	<u>(891,191)</u>	<u>(1,021,552)</u>	<u>(1,297,338)</u>	<u>(1,487,674)</u>
Net change in total OPEB liability	(5,109,330)	690,704	6,204,300	1,502,784	(2,384,783)	(5,042,908)	925,736
Total OPEB liability - Beginning	<u>35,503,428</u>	<u>34,812,724</u>	<u>28,608,424</u>	<u>27,105,640</u>	<u>29,490,423</u>	<u>34,533,331</u>	<u>33,607,595</u>
Total OPEB liability - Ending	<u>\$ 30,394,098</u>	<u>\$ 35,503,428</u>	<u>\$ 34,812,724</u>	<u>\$ 28,608,424</u>	<u>\$ 27,105,640</u>	<u>\$ 29,490,423</u>	<u>\$ 34,533,331</u>
Covered employee payroll	7,720,147	6,736,885	6,736,885	4,798,825	6,537,332	8,735,894	7,495,423
Total OPEB liability as a percentage of covered employee payroll	393.70%	527.00%	516.75%	596.15%	414.63%	337.58%	460.73%

Changes of Assumptions

Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period. The following is the discount rate used:

2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.54%
2024	4.21%

Notes:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

No assets are accumulated in a trust that meets the criteria in GASB No. 75, paragraph 4, to pay related benefits.

Union Parish School Board

Schedule of Employer's Proportionate Share of the Net Pension Liability For the Last Ten Years

Exhibit 1-2

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Louisiana School Employees' Retirement System					
2015	0.539100%	\$ 3,125,205	\$ 1,512,152	207%	76.18%
2016	0.599898%	3,804,115	1,631,239	233%	74.49%
2017	0.550718%	4,154,326	1,556,008	267%	70.09%
2018	0.534283%	3,419,021	1,527,078	224%	75.03%
2019	0.492993%	3,293,870	1,423,448	231%	74.44%
2020	0.524176%	3,669,556	1,838,325	200%	73.49%
2021	0.440343%	3,537,966	1,322,390	268%	69.67%
2022	0.418030%	1,986,967	1,260,337	158%	82.51%
2023	0.339124%	2,255,166	1,112,328	203%	76.31%
2024	0.258437%	1,563,507	915,293	171%	78.48%
Teacher's Retirement System of Louisiana					
2015	0.21472%	\$ 21,947,361	\$ 9,431,930	233%	63.7%
2016	0.21349%	22,954,607	9,618,647	239%	62.5%
2017	0.20997%	24,644,621	9,822,997	251%	59.9%
2018	0.21266%	21,801,129	9,971,918	219%	65.6%
2019	0.19155%	18,825,179	9,783,582	192%	68.2%
2020	0.18191%	18,054,228	11,203,721	161%	68.6%
2021	0.16092%	17,899,493	7,868,476	227%	65.6%
2022	0.16327%	8,716,665	8,023,041	109%	83.9%
2023	0.16144%	15,413,218	8,448,755	182%	72.4%
2024	0.16487%	14,903,238	8,900,247	167%	74.3%

Notes:

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

This schedule is presented to illustrate the requirement to show information for 10 years.

See accompanying notes to required supplementary information.

Union Parish School Board

Schedule of Employer Contributions to Pension Plans For the Last Ten Years

Exhibit 1-3

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
Louisiana School Employees' Retirement System					
2015	\$ 531,017	\$ 531,017	\$ -	\$ 1,631,239	32.6%
2016	469,914	469,914	-	1,556,008	30.2%
2017	417,602	417,602	-	1,527,078	27.3%
2018	392,872	392,872	-	1,423,448	27.6%
2019	514,731	514,731	-	1,838,325	28.0%
2020	388,783	388,783	-	1,322,390	29.4%
2021	370,539	370,539	-	1,260,337	29.4%
2022	319,238	319,238	-	1,112,328	28.7%
2023	252,621	252,621	-	915,293	27.6%
2024	283,673	283,673	-	1,027,801	27.6%
Teacher's Retirement System of Louisiana					
2015	\$ 2,498,570	\$ 2,498,570	\$ -	\$ 9,618,647	26.0%
2016	2,711,221	2,711,221	-	9,822,997	27.6%
2017	2,661,271	2,661,271	-	9,971,918	26.7%
2018	2,600,954	2,600,954	-	9,783,582	26.6%
2019	2,991,394	2,991,394	-	11,203,721	26.7%
2020	2,045,804	2,045,804	-	7,868,476	26.0%
2021	2,087,620	2,087,620	-	8,023,041	26.0%
2022	2,129,086	2,129,086	-	8,448,755	25.2%
2023	2,207,286	2,207,286	-	8,900,347	24.8%
2024	2,377,638	2,377,638	-	9,865,718	24.1%

Notes:

The amounts presented were determined as of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years.

See accompanying notes to required supplementary information.

Union Parish School Board

Notes to Required Supplementary Information for Pensions

Louisiana School Employees' Retirement System

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Changes in Assumptions: The following is a detailed description of the changes in assumptions:

Report Date	Valuation Date	Investment Rate of Return	Inflation Rate	Mortality Non-disabled Active	Mortality Non-disabled Retiree	Mortality Disabled	Termination, Disability, Retirement	Salary Increases
June 30,								
2015	2014	7.25% (net of investment and administrative expenses)	2.75% per annum	RP-2000 Combined Healthy Sex Distinct Tables	RP-2000 Combined Healthy Sex Distinct Tables	RP-2000 Disabled Lives Mortality Tables for Males and Females	2008-2012 experience study	3.2% to 5.5%
2016	2015	7.00% (net of investment and administrative expenses)	2.75% per annum	RP-2000 Combined Healthy Sex Distinct Tables	RP-2000 Combined Healthy Sex Distinct Tables	RP-2000 Disabled Lives Mortality Tables for Males and Females	2008-2012 experience study	3.2% to 5.5%
2017 & 2018	2016 & 2017	7.125% (net of investment and administrative expenses)	2.625% per annum	RP-2000 Combined Healthy Sex Distinct Tables	RP-2000 Combined Healthy Sex Distinct Tables	RP-2000 Disabled Lives Mortality Tables for Males and Females	2008-2012 experience study	3.075% to 5.375%
2019	2018	7.0625% (net of investment and administrative expenses)	2.50% per annum	RP-2014 Employee Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Healthy Annuitant Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Disabled Tables for Males and Females, with the full generational MP-2017 scale.	2012-2017 experience study	3.25%
2020	2019	7.00% (net of investment and administrative expenses)	2.50% per annum	RP-2014 Employee Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Healthy Annuitant Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Disabled Tables for Males and Females, with the full generational MP-2017 scale.	2012-2017 experience study	3.25%
2021	2020	7.00% (net of investment and administrative expenses)	2.50% per annum	RP-2014 Employee Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Healthy Annuitant Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Disabled Tables for Males and Females, with the full generational MP-2017 scale.	2012-2017 experience study	3.25%
2022	2021	6.90% (net of investment and administrative expenses)	2.5% per annum	RP-2014 Employee Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Healthy Annuitant Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Disabled Tables for Males and Females, with the full generational MP-2017 scale.	2013-2017 experience study	3.25%
2023	2022	6.8% (net of investment and administrative expenses)	2.5% per annum	RP-2014 Employee Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Healthy Annuitant Table with Blue Collar Adjustment, 130% for males and 115% for females, each with the full generational MP-2017 scale.	RP-2014 Disabled Tables for Males and Females, with the full generational MP-2017 scale.	2013-2017 experience study	3.25%
2024	2023	6.80% (net of investment and administrative expenses)	2.5% per annum	Pub2010 General Below Median Sex Distinct Employee Table with full generational RP2021 scale	Pub-2010 Median Healthy Retirees Tables with full generational RP2021 scale	Pub-2010 Non-Safety Disabled Retiree Sex Distinct Table with full generational RP2021 scale	2018-2022 experience study	3.75%

Note: Remaining service life of employees changed from 3 years to 2 years in the 2024 report date. For report dates prior to 2024, the remaining service life of employees was 3 years.

(Continued)

Union Parish School Board

Notes to Required Supplementary Information for Pensions

Teacher's Retirement System of Louisiana

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after January 1, 2011. For 2018 and later, amounts included a 1.5% COLA, effective July 1, 2016, as provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative session.

Changes in assumptions: The following is a detailed description of the changes in assumptions:

Report Date	Valuation Date	Investment Rate of Return	Inflation Rate	Mortality Non-disabled Active	Mortality Non-disabled Retiree	Mortality Disabled	Termination, Disability, Retirement	Salary Increases
June 30,								
2015, 2016, & 2017	2014, 2015, & 2016	7.75% (net of investment expense)	2.50% per annum	RP-2000 Mortality Table with projection to 2025 using scale AA	RP-2000 Mortality Table with projection to 2025 using scale AA	RP-2000 Disabled Lives Mortality Table	2008-2012 experience study	3.5% to 10.0%
2018	2017	7.70% per annum	2.50% per annum	RP-2000 Mortality Table with projection to 2025 using scale AA	RP-2000 Mortality Table with projection to 2025 using scale AA	RP-2000 Disabled Lives Mortality Table	2008-2012 experience study	3.5% to 10.0%
2019	2018	7.65% per annum	2.50% per annum	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females ***	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females ***	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females ***	2012-2017 experience study	3.3% to 4.8%
2020	2019	7.55% per annum	2.50% per annum	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females ***	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females ***	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females ***	2012-2017 experience study	3.3% to 4.8%
2021	2020	7.45% per annum	2.30% per annum	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females ***	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females ***	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females ***	2012-2017 experience study	3.1% to 4.6%
2022	2021	7.40% per annum	2.30% per annum	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females ***	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females ***	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females ***	2012-2017 experience study	3.1% to 4.6%
2023	2022	7.25% per annum	2.30% per annum	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females ***	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females ***	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females ***	2012-2017 experience study	3.1% to 4.6%
2024	2023	7.25% per annum	2.40% per annum	Pub2010T Below Median Employee (amount weighted) tables adjusted by .965 for males and .942 for females****	Pub2010T Below Median Retiree (amount weighted) tables adjusted by 1.173 for males and 1.258 for females****	Pub2010T Disability (amount weighted) tables adjusted by 1.043 for males and 1.092 for females****	2018-2022 experience study	2.41% to 4.85%

*** Base tables for active, non-disabled retirees, and disabled retirees are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.

**** Base tables for active, non-disabled retirees, and disabled retirees are adjusted from 2018 to 2022 using the MP-2021 generational improvement table, with continued future mortality improvement projected using the MP-2021 generational mortality improvement tables.

(Concluded)

Union Parish School Board

Budgetary Comparison Schedule

General Fund and Major Special Revenue Funds with Legally Adopted Annual Budgets:

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

ESSA PROGRAMS This fund accounts for federal sources to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

EDUCATION STABILIZATION The purpose of this grant is to provide local educational authorities with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the nation.

21st CENTURY This fund accounts for federal sources to expand community learning centers that provide students with academic enrichment opportunities during non-school hours or periods when school is not in session.

UNION PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2024**

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 2,992,291	\$ 2,958,658	\$ 2,970,226	\$ 11,568
Sales and use	9,551,079	9,696,835	9,676,515	(20,320)
Interest earnings	275,026	275,400	325,668	50,268
Other	216,400	250,192	287,979	37,787
State sources:				
Minimum Foundation Program	13,637,258	13,013,958	12,506,676	(507,282)
Other	597,600	1,175,579	1,531,300	355,721
TOTAL REVENUES	27,269,654	27,370,622	27,298,364	(72,258)
EXPENDITURES				
Current:				
Instruction:				
Regular programs	16,691,336	17,155,488	17,242,079	(86,591)
Special education programs	1,146,327	1,193,956	1,164,477	29,479
Other instructional programs	1,503,044	1,400,196	1,410,301	(10,105)
Support services:				
Pupil support	1,669,760	1,894,440	1,926,148	(31,708)
Instructional staff support	788,937	869,215	832,894	36,321
General administration	1,042,121	897,453	897,600	(147)
School administration	943,249	994,323	986,409	7,914
Business services	716,602	659,438	660,533	(1,095)
Plant services	1,437,565	1,450,983	1,436,615	14,368
Student transportation services	2,671,370	2,036,310	1,974,608	61,702
Central services	7,200	3,650	3,519	131
Facilities acquisition & construction	-	10,000	9,541	459
TOTAL EXPENDITURES	28,617,511	28,565,452	28,544,724	20,728
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,347,857)	(1,194,830)	(1,246,360)	(51,530)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,357,261	1,197,890	1,108,963	(88,927)
TOTAL OTHER FINANCING SOURCES (USES)	1,357,261	1,197,890	1,108,963	(88,927)
Net Change in Fund Balances	9,404	3,060	(137,397)	(140,457)
FUND BALANCES - BEGINNING, RESTATED	2,329,446	3,112,361	6,528,887	3,416,526
FUND BALANCES - ENDING	\$ 2,338,850	\$ 3,115,421	\$ 6,391,490	\$ 3,276,069

SEE ACCOMPANYING NOTES TO BUDGETARY COMPARISON SCHEDULES.

UNION PARISH SCHOOL BOARD

**ESSA PROGRAMS
Budgetary Comparison Schedule
For the Year Ended June 30, 2024**

Exhibit 1-5

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Federal sources	\$ 2,215,888	\$ 3,595,196	\$ 2,387,879	\$ (1,207,317)
 TOTAL REVENUES	 2,215,888	 3,595,196	 2,387,879	 (1,207,317)
EXPENDITURES				
Current:				
Instruction:				
Other instructional programs	1,222,428	1,848,796	1,140,738	708,058
Support services:				
Pupil support	206,925	177,874	173,517	4,357
Instructional staff support	596,079	1,210,254	813,291	396,963
Capital outlay	-	54,937	50,215	4,722
 TOTAL EXPENDITURES	 2,025,432	 3,291,861	 2,177,761	 1,114,100
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 190,456	 303,335	 210,118	 (93,217)
OTHER FINANCING SOURCES (USES)				
Transfers out	(190,456)	(303,335)	(210,118)	93,217
 Net Change in Fund Balances	 -	 -	 -	 -
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

SEE ACCOMPANYING NOTES TO BUDGETARY COMPARISON SCHEDULES.

UNION PARISH SCHOOL BOARD

**EDUCATION STABILIZATION
Budgetary Comparison Schedule
For the Year Ended June 30, 2024**

Exhibit 1-6

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Federal sources	\$ 8,379,128	\$ 4,364,939	\$ 4,431,095	\$ 66,156
 TOTAL REVENUES	 8,379,128	 4,364,939	 4,431,095	 66,156
EXPENDITURES				
Current:				
Instruction:				
Other instructional programs	4,211,977	1,179,667	1,172,909	6,758
Support services:				
Pupil support	106,620	72,407	70,801	1,606
Instructional staff support	1,228,856	1,024,090	1,006,718	17,372
General administration	-	7,533	7,494	39
School administration	-	34,759	33,955	804
Business services	-	14,229	14,230	(1)
Plant services	314,514	151,904	152,212	(308)
Student transportation services	534,263	540,579	547,296	(6,717)
Food services	62,441	60,319	59,676	643
Facilities acquisition & construction	937,815	660,487	681,473	(20,986)
 TOTAL EXPENDITURES	 7,396,486	 3,745,974	 3,746,764	 (790)
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 982,642	 618,965	 684,331	 65,366
OTHER FINANCING SOURCES (USES)				
Transfers out	(982,642)	(618,965)	(684,331)	(65,366)
 Net Change in Fund Balances	 -	 -	 -	 -
 FUND BALANCES - BEGINNING	 -	 -	 -	 -
 FUND BALANCES - ENDING	 \$ -	 \$ -	 \$ -	 \$ -

SEE ACCOMPANYING NOTES TO BUDGETARY COMPARISON SCHEDULES.

UNION PARISH SCHOOL BOARD

**21st Century
Budgetary Comparison Schedule
For the Year Ended June 30, 2024**

Exhibit 1-7

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Federal sources	\$ 1,200,000	\$ 1,717,448	\$ 1,494,980	\$ (222,468)
TOTAL REVENUES	1,200,000	1,717,448	1,494,980	(222,468)
EXPENDITURES				
Current:				
Instruction:				
Other instructional programs	682,017	1,140,580	958,348	182,232
Support services:				
Instructional staff support	349,117	338,524	321,021	17,503
Plant services	19,358	12,017	11,959	58
Student transportation services	46,368	61,668	58,138	3,530
Food services	-	17,044	17,044	-
TOTAL EXPENDITURES	1,096,860	1,569,833	1,366,510	203,323
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	103,140	147,615	128,470	(19,145)
OTHER FINANCING SOURCES (USES)				
Transfers out	(103,140)	(147,615)	(128,470)	19,145
Net Change in Fund Balances	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

SEE ACCOMPANYING NOTES TO BUDGETARY COMPARISON SCHEDULES.

Union Parish School Board

Notes to Budgetary Comparison Schedule

A. BUDGETS

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

State statute requires budgets to be adopted for the general fund and all special revenue funds except for student activity funds.

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. The general fund budget is controlled at the function level and special revenue budgets are controlled at the fund level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the Board.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. 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 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 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.

B. Excess of Expenditures over Appropriations in Individual Funds: The following individual fund had actual expenditures over budgeted expenditures for the year ended June 30, 2024.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Education Stabilization	\$3,745,974	\$3,746,764	(\$790)

Union Parish School Board

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SUPPLEMENTARY INFORMATION

Union Parish School Board

Nonmajor Special Revenue Funds

SCHOOL FOOD SERVICE To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

SPECIAL EDUCATION

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

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

EARLY CHILDHOOD DEVELOPMENT This fund accounts for federal sources to provide early childhood community networks with the funding to develop community level strategies and solutions to increase the supply of, and access to, early childhood care and education.

STUDENT ACTIVITY FUNDS This fund accounts for assets held by the School Board for individual schools and school organizations.

MISCELLANEOUS FUNDS This fund accounts for the following grants:

- Career and Technical Education (Carl Perkins)
- Comprehensive Literacy Development
- School Improvement Grants

UNION PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2024

	SCHOOL FOOD SERVICE	SPECIAL EDUCATION	EARLY CHILDHOOD DEVELOPMENT
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 363,421	\$ 7,652	\$ -
Receivables	49,833	65,118	149,670
Inventory	46,726	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>459,980</u>	<u>72,770</u>	<u>149,670</u>
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	138,210	14,703	2,423
Interfund payables	-	58,067	147,247
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>138,210</u>	<u>72,770</u>	<u>149,670</u>
	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES:			
Nonspendable	46,726	-	-
Restricted	275,044	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCES	<u>321,770</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 459,980</u>	<u>\$ 72,770</u>	<u>\$ 149,670</u>

Exhibit 2

STUDENT ACTIVITY FUNDS	MISCELLANEOUS FUNDS	TOTAL
\$ 410,021	\$ 9,341	\$ 790,435
-	61,656	326,277
-	-	46,726
<u>410,021</u>	<u>70,997</u>	<u>1,163,438</u>
-	37,210	192,546
-	33,787	239,101
-	70,997	431,647
-	-	46,726
<u>410,021</u>	<u>-</u>	<u>685,065</u>
<u>410,021</u>	<u>-</u>	<u>731,791</u>
<u>\$ 410,021</u>	<u>\$ 70,997</u>	<u>\$ 1,163,438</u>

UNION PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2024

	SCHOOL FOOD SERVICE	SPECIAL EDUCATION	EARLY CHILDHOOD DEVELOPMENT
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 163,328	\$ -	\$ -
Interest earnings	14,379	-	-
Food service	18,929	-	-
Other	-	-	-
State sources:			
Minimum Foundation Program	12,408	-	-
Federal sources	1,428,771	616,677	275,595
TOTAL REVENUES	1,637,815	616,677	275,595
EXPENDITURES			
Current:			
Instruction:			
Special education programs	-	62,128	-
Other instructional programs	-	-	32,202
Support services:			
Pupil support	-	160,599	83,408
Instructional staff support	-	315,404	136,211
General administration	1,348	-	-
Student transportation services	-	25,775	-
Food services	1,759,436	-	-
TOTAL EXPENDITURES	1,760,784	563,906	251,821
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(122,969)	52,771	23,774
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(52,771)	(23,774)
Net Change in Fund Balances	(122,969)	-	-
FUND BALANCES - BEGINNING	444,739	-	-
FUND BALANCES - ENDING	\$ 321,770	\$ -	\$ -

Exhibit 3

STUDENT ACTIVITY FUNDS	MISCELLANEOUS FUNDS	TOTAL
\$ -	\$ -	\$ 163,328
-	-	14,379
-	-	18,929
527,423	-	527,423
-	-	12,408
-	130,984	2,452,027
527,423	130,984	3,188,494
-	-	62,128
472,021	121,020	625,243
-	-	244,007
-	465	452,080
-	-	1,348
-	-	25,775
-	-	1,759,436
472,021	121,485	3,170,017
55,402	9,499	18,477
-	(9,499)	(86,044)
55,402	-	(67,567)
354,619	-	799,358
\$ 410,021	\$ -	\$ 731,791

Union Parish School Board

Exhibit 4

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2024**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$550 per month, and the president receives \$600 per month for performing the duties of their office.

Board Member		District Served	Compensation
Sharon	Dixson, President	1	\$ 7,200
Roger	Reeves, Jr	2	6,600
Tommy	Bennett	3	6,600
Judy	Mabry	4	6,600
Shannon	Barkley, Vice-President	5	6,600
Donna	Cranford	6	6,600
Sharon	Stewart	7	6,600
Eula	Collins	8	6,600
Cassandra	Neal	9	6,600
			<u>\$ 60,000</u>

Union Parish School Board

Exhibit 5

**Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2024**

Agency Head Name: Kristy Fine, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 108,993
Benefits - Insurance	7,619
Benefits - Retirement	26,267
Benefits - Medicare	1,529
Travel	6,556
	<u>\$ 150,964</u>

Union Parish School Board

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SINGLE AUDIT INFORMATION



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Supervisor: Sandra Harper, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

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*

Independent Auditor's Report

Board Members
Union Parish School Board
Farmerville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Union Parish School Board as of and for the year ended June 30, 2024, 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 December 31, 2024. Our report includes reference to other auditors who audited the financial statements of the aggregate discretely presented component unit, as described in our report of the School Board's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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. . Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be

material weaknesses. We identified a certain deficiency in internal control as described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a significant deficiency.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standard*.

The School Board's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School Board's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs and the Corrective Action Plan for Current Year Findings and Questioned Costs. The School Board's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2024



ALLEN, GREEN & WILLIAMSON, LLP

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Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

Board Members
Union Parish School Board
Farmerville, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Union 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 the School Board's major federal programs for the year ended June 30, 2024. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the School Board complied, in all material respects, with the 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, 2024.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the 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 GAAS, *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 judgement made by a reasonable user of the report on compliance about the School Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Government Auditing Standards requires the auditor to perform limited procedures on the School Board's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs and the Corrective Action Plan for Current Year Findings and Questioned Costs. The School Board's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Although the intended use of this report 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.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2024

Union Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	AL Number	Pass-Through Grantor No.		Expenditures
United States Department of Agriculture				
<i>Passed through Louisiana Department of Education</i>				
Child Nutrition Cluster:				
Non Cash Assistance (Commodities):				
National School Lunch Program	10.555	N/A	\$	116,342
Cash Assistance:				
School Breakfast Program	10.553	N/A	\$	367,529
National School Lunch Program	10.555	N/A		801,183
Supply Chain Assistance	10.555	N/A		55,484
Summer Food Program	10.559	N/A		35,223
Total Child Nutrition Cluster				1,259,419
Child and Adult Care Food Program	10.558	N/A		49,754
COVID-19 Pandemic EBT Administrative Costs	10.649	N/A		3,256
Total United States Department of Agriculture				1,428,771
United States Department of Education				
<i>Passed Through Louisiana Department of Education:</i>				
Title I Grants to Local Educational Agencies	84.010A	28-24-T1-56	1,846,443	
	84.010A	28-22-DSS-56	38,963	
	84.010A	28-23-RD19-56	246,806	2,132,212
Special Education Cluster:				
Special Education Grants to States	84.027A	28-24-B1-56	511,497	
Special Education Preschool Grants	84.173A	28-24-P1-56	18,977	
COVID-19 Special Education Grants to States	84.027X	28-22-IA11-56	36,265	
COVID-19 Special Education Preschool Grants	84.173X	28-22-IA19-56	3,455	
Total Special Education Cluster				570,194
Career and Technical Education -- Basic Grants to States	84.048A	28-24-02-56		20,082
21st Century Community Learning Centers	84.287C	28-23-2C-56	977,532	
	84.287C	28-22-2C-56	517,448	1,494,980
Rural Education Title V	84.358B	28-24-RLIS-56		28,316
English Language Acquisition State Grants	84.365A	28-24-60-56		7,866
Supporting Effective Instruction State Grants Title IIA	84.367A	28-24-50-56		158,202
Comprehensive Literacy Development				
CLSD UIR B-5	84.371C	28-20-CCUB-56	1,294	
CLSD UIR K-5	84.371C	28-20-CCUK-56	41,928	
CLSD UIR 6-8	84.371C	28-20-CLU6-56	21,999	
CLSD UIR 9-12	84.371C	28-20-CCU9-56	45,681	110,902

(Continued)

Union Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	AL Number	Pass-Through Grantor No.		Expenditures
Disability Innovation Fund (DIF)	84.421	28-24-SWDI-56	\$	46,483
Student Support and Academic Enrichment Program Title IV	84.424	28-24-71-56	\$ 11,068	
		28-23-BSCA-56	<u>50,215</u>	61,283
Coronavirus Aide, Relief, and Economic Security Act (CARES ACT)				
COVID-19 Education Stabilization Fund	84.425D	28-21-ES2F-56	738,876	
	84.425U	28-21-ES3F-56	3,426,909	
	84.425U	28-21-ESEB-56	174,761	
	84.425U	28-21-ES3I-56	2,328	
	84.425U	28-21-ES2I-56	<u>88,221</u>	4,431,095
Total United States Department of Education				<u>9,061,615</u>
United States Department of Health & Human Services				
<i>Passed Through Louisiana Department of Education:</i>				
Every Student Succeeds Act/Preschool Development Grants	93.434	28-22-COLP-56	27,947	
	93.434	28-24-CORP-56	<u>49,329</u>	77,276
Child Care and Development Fund Cluster:				
COVID-19 Child Care and Development Block Grant	93.575	28-21-COLG-56	86	
	93.575	28-24-CORA-56	100,000	
	93.575	28-24-B2CC-56	5,900	
	93.575	28-21-B4CC-56	<u>37,588</u>	143,574
Child Care and Development Fund	93.596	28-24-CORC-56	49,687	
	93.596	28-23-COLC-56	<u>5,058</u>	54,745
Total Child Care and Development Fund Cluster:				<u>198,319</u>
Total United States Department of Health & Human Services				<u>275,595</u>
TOTAL FEDERAL AWARDS			\$	<u>10,765,981</u>
				(Concluded)

The accompanying notes are an integral part of this schedule.

Union Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

NOTE 1 - BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Union Parish School Board under programs of the federal government for the year ended June 30, 2024. The Union Parish School Board (the School Board) reporting entity is defined in Note 1 to the School Board's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position and changes in net assets of the Union Parish School Board.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 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.

NOTE 3 - RELATIONSHIP TO FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

	<u>Federal Sources</u>
Major:	
ESSA Programs	\$ 2,387,879
Education Stabilization	4,431,095
21st Century	1,494,980
Nonmajor Special Revenue:	
School Food Service	1,428,771
Special Education	616,677
Early Childhood Development	275,595
Miscellaneous Funds	130,984
Total	<u>\$ 10,765,981</u>

NOTE 4 - 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.

NOTE 5 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

NOTE 6 - INDIRECT COST RATE The School Board has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

PART I - Summary of the auditor's results

Financial statement audit

- i. The type of audit report issued was unmodified.
- ii. There was a significant deficiency identified that is required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiency was not considered to be a material weakness.
- iii. The audit disclosed no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were no significant deficiencies that are required to be disclosed by the Uniform Guidance.
- v. The type of report the auditor issued on compliance of major federal awards was unmodified.
- vi. The audit disclosed no audit findings which the auditor is required to report under the Uniform Guidance (2 CFR 200).
- vii. The major federal programs are:

COVID-19 Education Stabilization	AL #84.425D,U
21 st Century	AL #84.287C
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in the Uniform Guidance (2 CFR 200) was \$750,000.
- ix. The auditee does not qualify as a low-risk auditee under the Uniform Guidance (2 CFR 200).

**Union Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Part II-Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **2024-001** **Internal Controls over Financial Reporting**

Entity-wide or program/department specific: This finding is entity wide.

Criteria or specific requirement: Sound internal controls over financial reporting require that accounting records contain accurate, complete, and up-to-date information to ensure that the financial data can be relied upon to monitor the financial condition of the School Board. Financial records should be reviewed timely to supporting documentation to ensure that transactions are properly recorded and classified in the accounting records.

Condition found:

Budget to actual comparisons were not presented at five of the twelve school board or finance committee meetings.

In the testing of December bank reconciliations, the master operating account and payroll account were reconciled more than two months after closing date. Date of reconciliation was not documented on June bank reconciliations for these same accounts. Bank reconciliations of operating and payroll accounts were performed by fee accountant and no review by School Board administration.

Context: The exceptions noted above were identified when testing minutes of board meetings and bank reconciliations for Statewide Agreed-Upon Procedures.

Possible asserted effect (cause and effect):

Cause: The issues noted with the bank reconciliations were mainly caused by the lack of timeliness of the reconciliations.

Effect: Accounting records were not current, and the school board not provided current financial information.

Recommendation to prevent future occurrences: Bank reconciliations should be completed within 30 days of the end of the month. Reconciliations should be reviewed by someone other than the preparer. The reviewer should be knowledgeable of the bank reconciliation program and ensure that the reconciled cash balance per the reconciliation agrees with the general ledger cash balances and all expenditures and revenues were accurately recorded. Monthly budget to actual reports should be presented to the school board.

Origination date and prior year reference (if applicable): A finding for internal control over financial reporting was first reported in the fiscal year ended June 30, 2019.

View of Responsible Official: See Corrective Action Plan.

Union Parish School Board

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Superintendent

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Status of Prior Year Findings and Questioned Costs For the Year Ended June 30, 2024

Reference # and title: 2023-001 Internal Controls over Financial Reporting

Entity-wide or program/department specific: This finding is entity wide.

Condition found: The most significant financial reporting issues are noted below.

Budget to actual comparisons were not presented at eleven of the twelve school board meetings.

In the testing of March bank reconciliations, three of the four bank accounts were reconciled more than two months after closing date. Reconciliation of master bank in four separate months was completed by recording variance between book and bank balance to fund balance account and then was reconciled at year end.

Testing of journal entries indicated that entries were made that either did not balance or crossed funds, which resulted in multiple correcting entries being made at year end to reconcile accounts. Consistently, payroll entries were made incorrectly.

Corrective action taken: See current year finding 2024-001.

Reference # and title: 2023-002 Internal Controls Over Reporting

AL#, Federal Award Title, Federal Agency, Federal Award # and Year, and the Name of the Pass-Through Entity: : AL#84.425D: COVID-19 Education Stabilization Fund, 2021: U. S. Department of Education: Passed through the Louisiana Department of Education

Condition found: In accordance with the ESSER guidelines, the School Board is required to submit an annual performance report with data on expenditures, planned expenditures, subrecipients, and uses of funds, including for mandatory reservations. The key line items include the School Board's expenditures by ESSER subgrant, which comes from the periodic expense reports, the number of specific positions supported with ESSER funds, allocation of ESSER funds to schools and critical used to allocate the funds to the schools and the full-time equivalent positions paid with ESSER funding.

In testing the information submitted through the Louisiana Department of Education's portal for the other key line items, it was noted that the support provided by the School Board was not complete or did not agree with submitted information.

Corrective action taken: Support of submitted information to the Louisiana Department of Education for annual performance report for Education Stabilization was retained.

Finding is considered cleared.

Reference # and title: **2023-003** **Internal Controls Over Procurement, Suspension and Debarment**

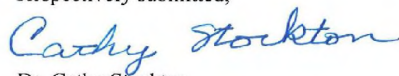
AL#, Federal Award Title, Federal Agency, Federal Award # and Year, and the Name of the Pass-Through Entity: : AL #84.027: Special Education Grants to States (IDEA), 2023: U. S. Department of Education: Passed through the Louisiana Department of Education

Condition found: In accordance with Special Education (IDEA) guidelines, for covered transactions the School Board is required to verify that entities are not suspended, debarred, or otherwise excluded from receiving federal funding.

Corrective action taken: Staff members have documented support that vendors are not suspended, debarred, or otherwise excluded from receiving federal funds.

Finding is considered cleared.

Respectively submitted,



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Superintendent

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December 31, 2024

RE: Administration's Corrective Action Plan
6-30-2023 audited financial statements

To Whom It May Concern:

Corrective Action Plan for Current Year Findings and Questioned Costs

Reference # and title: 2024-001 Internal Controls over Financial Reporting

Entity-wide or program/department specific: This finding is entity wide.

Criteria or specific requirement: Sound internal controls over financial reporting require that accounting records contain accurate, complete, and up-to-date information to ensure that the financial data can be relied upon to monitor the financial condition of the School Board. Financial records should be reviewed timely to supporting documentation to ensure that transactions are properly recorded and classified in the accounting records.

Condition found:

Budget to actual comparisons were not presented at five of the twelve school board or finance committee meetings.

In the testing of December bank reconciliations, the master operating account and payroll account were reconciled more than two months after closing date. Date of reconciliation was not documented on June bank reconciliations for these same accounts. Bank reconciliations of operating and payroll accounts were performed by fee accountant and no review by School Board administration.

Corrective action plan:

Action will be taken to ensure that financial reports including the Budget to actual comparisons will be shared at finance committee meetings and the entire board at the monthly meetings.

With the appointment of an Interim CFO/Business Manager, she will ensure that the bank reconciliation of the master account and the payroll account are done and the results presented to the finance committee and to the superintendent.

Person responsible for corrective action:

Interim CFO/Business Manager and Superintendent

Anticipated completion date:

For review on or before the 20th of each month.

Respectively submitted,



Dr. Cathy Stockton
Superintendent

Union Parish School Board

AGREED-UPON PROCEDURES



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Ernest L. Allen, CPA
(Retired) 1963 - 2000

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

Board Members
Union Parish School Board
Farmerville, Louisiana

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 year ended June 30, 2024. Union Parish School Board's management is responsible for those C/C areas identified in the SAUPs.

The School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal year ended June 30, 2024. 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 findings are as follows:

1) Written Policies and Procedures

- A. 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:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **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.
 - iii. **Disbursements**, including processing, reviewing, and approving.

- iv. **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).
- v. **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.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **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).
- viii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- ix. **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.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **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.
- xii. **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

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

2) Board or Finance Committee

- A. 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:
 - i. 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.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the 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.*
 - iii. 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.

- iv. Observe whether the board/finance committee received written updates of progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Comment: No documentation was provided for 5 of 12 monthly meetings of discussion by the Board of monthly budget to actual comparisons of any funds. No written updates provided to board concerning audit findings for three meetings after audit findings were presented.

Management's Response: With the appointment of the Interim CFO/Business Manager, she will ensure that a budget to actual comparison is presented at each finance committee meeting and/or regular monthly meeting.

3) Bank Reconciliations

- A. 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:
 - i. 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);
 - ii. 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 within one month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - iii. 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.

Comment: Bank reconciliations for the master bank and the payroll accounts did not include documentation that the reconciliations were prepared within 2 months of the statement closing date. For both the master bank and payroll account there was no evidence that review had been done within one month of the date the bank reconciliation was prepared.

Management's Response: With the appointment of the Interim CFO/Business Manager, she will ensure that the bank reconciliation of the master account and the payroll account are done and the results presented to the finance committee and to the superintendent on or by the 20th of each month.

4) Collections (excluding electronic funds transfers)

- A. 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).
- B. 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:
 - i. Employees responsible for cash collections do not share cash drawers/registers.

- ii. 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.
 - iii. 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.
 - iv. 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.
- C. 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.
- D. 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:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Comment: Two exceptions noted where deposits were not made within one business day of receipt at the collection location.

Management’s Response: All employees who handle cash/and or checks will be provided with a professional development that addresses timely collections, receiving, and deposits of funds.

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

- A. 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).
- B. For each location selected under #5A 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:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - ii. At least two employees are involved in processing and approving payments to vendors.
 - iii. 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.

- iv. 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.
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[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.]

- C. For each location selected under #5A 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:
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. [Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

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

6) Credit Cards/Debit Cards/Fuel Cards/Purchase-Cards (Cards)

- A. 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.
- B. 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:
 - i. 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.]
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #7B 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.

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

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

- A. 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:
- i. 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).
 - ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - iii. 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 #1A(vii)).
 - iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Comment: One exception noted where reimbursement was not reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Management’s Response: All reimbursements will require two administrative signatures other than the person receiving the reimbursement.

8) Contracts

- A. 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:
- i. 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.
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - iii. 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).
 - iv. 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.

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

9) Payroll and Personnel

- A. 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.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. 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.)
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- C. 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.
- D. 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.

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

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period as required by R.S. 42:1170
 - ii. 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.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170

Comment: Two exceptions were noted where employees did not complete the one hour of ethics training.

Management's response: An October 1st deadline will be established for all employees to complete all mandated training including the ethics training.

11) Debt Service

- A. 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 as required by Article VII, Section 8 of the Louisiana Constitution.
- B. 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).

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

12) Fraud Notice

- A. 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.
- B. 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.

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

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures,
 - i. 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 (a) occurred within the past week, (b) was noted stored on the government's local server or network, and (c) was encrypted.
 - ii. 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.
 - iii. 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.
 - iv. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evident that the selected terminated employees have been removed or disabled from the network.
 - v. 29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation from management, and observe that the documentation demonstrates that the following employees/officials with

access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- a) Hired before June 9, 2020 – completed the training; and
- b) Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

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

14) Prevention of Sexual Harassment

- A Using the 5 randomly selected employees/officials from procedure #9A 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 as required by R.S. 42:343.
- i. 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).
- B. 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:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Comment: Five employees had not completed the sexual harassment training. Annual sexual harassment report was not completed by February 1st.

Management's response: An October 1st deadline will be established for all employees to complete all mandated training including the sexual harassment training. The annual sexual harassment report will be completed by February 1st.

We were engaged by the Union 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* issued by the United State Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2024



ALLEN, GREEN & WILLIAMSON, LLP

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING BESE AGREED-UPON PROCEDURES

Board Members
Union Parish School Board
Farmerville, Louisiana

We have performed the procedures enumerated below, on the performance and statistical data accompanying the annual financial statements of the School Board, for fiscal year ended June 30, 2024 to determine whether the specified schedules are free from obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514.I. The School Board's management is responsible for the performance and statistical data accompanying the annual financial statements.

Management of the School Board, the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements.

The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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

1. We selected a 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 in applying the agreed upon procedures.

Class Size Characteristics (Schedule 2)

We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a random sample of ten classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Comment: No exceptions were noted in applying the agreed upon procedures.

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

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

Comment: Two exceptions noted where experience varied by one year.

Management's Response: There was a discrepancy in the PEP report submitted to the Department of Education, however, upon closer review the two individuals were paid correctly.

Public School Staff Data: Average Salaries (No Schedule)

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

Comment: One exception was noted in applying the agreed upon procedures with variance in base salary pay and one exception noted with variance in extra compensation.

Management's Response: Payment of a retention supplement will be made in the future to include two payments. Distributions will be in September and January.

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

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

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 School Board, as required by Louisiana Revised Statute 24:514(I), and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2024

Schedule 1

UNION PARISH SCHOOL BOARD
FARMERVILLE, LOUISIANA

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2024**

<u>General Fund Instructional and Equipment Expenditures</u>	Column A	Column B
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 6,234,846	
Other Instructional Staff Salaries	677,539	
Instructional Staff Employee Benefits	3,537,395	
Purchased Professional and Technical Services	62,813	
Instructional Materials and Supplies	175,069	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities		\$ 10,687,662
Other Instructional Activities		185,238
Pupil Support Services	1,974,813	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services		1,974,813
Instructional Staff Services	835,910	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		835,910
School Administration	1,438,931	
Less: Equipment for School Administration	-	
Net School Administration		1,438,931
Total General Fund Instructional Expenditures (Total of Column B)		<u>\$ 15,122,554</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>-</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Ad valorem Taxes		
Constitutional Ad Valorem Taxes		\$ 540,955
Renewable Ad Valorem Tax		2,285,901
Debt Service Ad Valorem Tax		-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		127,044
Result of Court Ordered Settlement (Ad Valorem)		-
Penalties/Interest on Ad Valorem Taxes		-
Taxes Collected Due to Tax Incremental Financing (TIF)(Ad Valorem)		-
Sales Taxes		
Sales and Use Taxes - Gross		9,676,515
Sales/Use Taxes - Court Settlement		-
Penalties/Interest on Sales/Use Taxes		-
Sales/Use Taxes Collected Due to TIF		-
Total Local Taxation Revenue		<u>\$ 12,630,415</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		17,201
Earnings from Other Real Property		8,715
Total Local Earnings on Investment in Real Property		<u>\$ 25,916</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		12,637
Revenue Sharing - Other Taxes		53,613
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		<u>\$ 66,250</u>
Nonpublic Textbook Revenue		<u>\$ 3,328</u>
Nonpublic Transportation Revenue		<u>\$ -</u>

Schedule 2

**UNION PARISH SCHOOL BOARD
Farmerville, Louisiana**

**Class Size Characteristics
As of October 1, 2023**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	37.4%	64	62.0%	106	0.0%	0	0.6%	1
Elementary Activity Classes	40.0%	8	60.0%	12	0.0%	0	0.0%	0
High	84.2%	307	15.3%	56	0.5%	2	0.0%	0
High Activity Classes	98.0%	100	2.0%	2	0.0%	0	0.0%	0
Combination	88.9%	225	7.1%	18	4.0%	10	0.0%	0
Combination Activity Classes	89.3%	25	7.1%	2	3.6%	1	0.0%	0

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.