

Richland Parish School Board

Rayville, Louisiana



Annual Financial Report
As of and for the year ended June 30, 2021

**Richland Parish School Board
Rayville, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 2021**

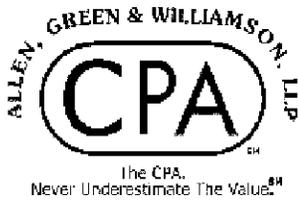
**Richland Parish School Board
Table of Contents**

	<u>Statement</u>	<u>Page</u>
FINANCIAL SECTION		
Independent Auditor's Report		7-9
Required Supplementary Information		11
Management's Discussion and Analysis (MD&A)		12-20
Basic Financial Statements		
Government-wide Financial Statements (GWFS)		21
Statement of Net Position	A	22
Statement of Activities	B	23
Fund Financial Statements (FFS)		25
Governmental Funds:		
Balance Sheet	C	26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	27
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	28-29
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities F		30
Notes to the Financial Statements		
Index		31
Notes		32-57
	<u>Exhibit</u>	
REQUIRED SUPPLEMENTARY INFORMATION		
Schedule of Changes in the Total OPEB Liability and Related Ratios	1-1	60
Schedule of Employer's Proportionate Share of the Net Pension Liability	1-2	61
Schedule of Employer Contributions to Pension Plans	1-3	62
Notes to Required Supplementary Information for Pensions		63-64
Budgetary Comparison Schedule		65
General Fund	1-4	66-67
Education Stabilization	1-5	68
Notes to Budgetary Comparison Schedule		69
SUPPLEMENTARY INFORMATION		
Combining Nonmajor Governmental Funds - by Fund Type		70
Combining Balance Sheet	2	72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	3	73-74
Nonmajor Special Revenue Funds		75
Combining Balance Sheet	4	76-77
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	5	78-79
Nonmajor Debt Service Funds		80
Combining Balance Sheet	6	81
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	7	82

(Continued)

**Richland Parish School Board
Table of Contents**

	<u>Statement</u>	<u>Page</u>
Nonmajor Capital Project Funds		83
Combining Balance Sheet	8	84
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	9	85
General		
Schedule of Compensation Paid Board Members	10	86
Schedule of Compensation, Benefits and Other Payments to Agency Head	11	87
 SINGLE AUDIT INFORMATION		 89
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		 90-91
 Report on Compliance For Each Major Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance		 92-93
 Schedule of Expenditures of Federal Awards		 94
Notes to the Schedule of Expenditures of Federal Awards		95
Schedule of Findings and Questioned Costs		96-101
 OTHER INFORMATION		
Status of Prior Year Findings and Questioned Costs		102
Corrective Action Plan for Current Year Findings and Questioned Costs		103-104
Agreed-upon Procedures		
Independent Accountant's Report on Applying BESE Agreed-upon Procedures		105-107
School Board Prepared Performance and Statistical Data Schedules		108-109
		(Concluded)



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Independent Auditor's Report

Board Members
Richland Parish School Board
Rayville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Richland Parish School Board, as of and for the year ended June 30, 2021, 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Richland Parish School Board, as of June 30, 2021, 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.

Emphasis of Matters

As disclosed in Note 7 to the financial statements, the net pension liability for the School Board was \$37,129,084 at June 30, 2021, 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, 2021, could be under or overstated. Our opinion is not modified with respect to this matter.

As discussed in Note 8 to the financial statements, the other post-employment benefits (OPEB) Liability for the School Board was \$42,692,907 at June 30, 2021 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, 2021, could be under or overstated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Richland 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* (Uniform Guidance), and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, 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 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 12, 2022 on our consideration of the Richland 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

Monroe, Louisiana
August 12, 2022

Richland Parish School Board

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REQUIRED SUPPLEMENTARY INFORMATION:

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

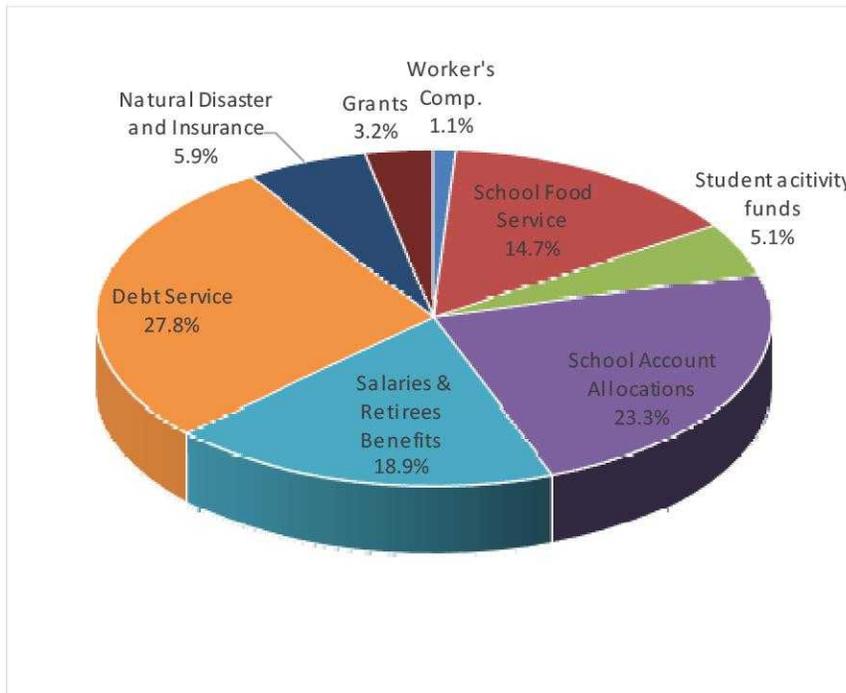
**Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021**

This section of the Richland Parish School Board's annual financial report provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily Minimum Foundation Program (MFP) funding and cost reimbursement grants and federal revenues which are primarily cost reimbursement grants.

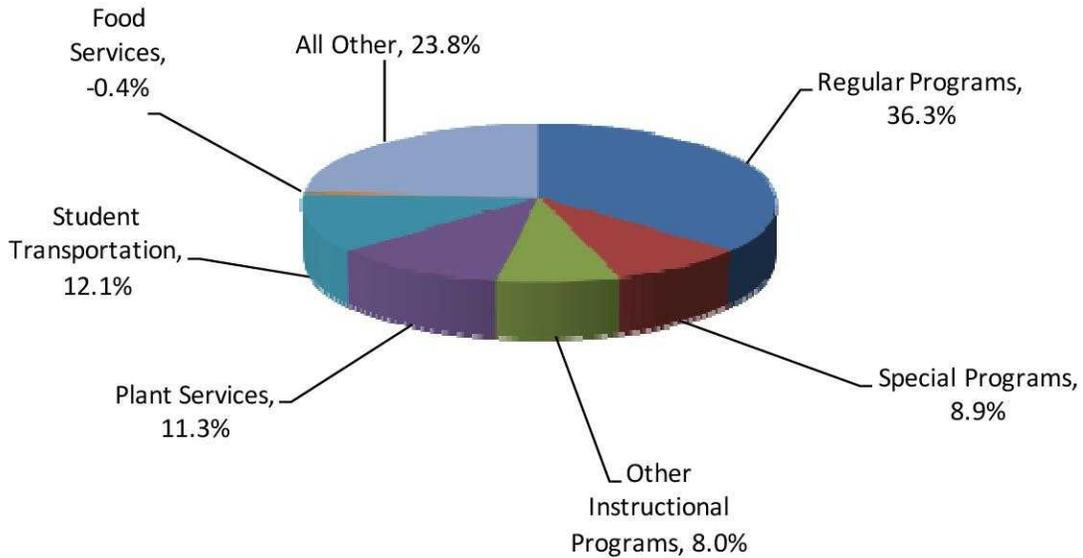
**Governmental Activities
Restricted Net Position
June 30, 2021**



The liabilities and deferred inflows of resources for the Richland Parish School Board exceeded its assets and deferred outflows of resources at the close of the 2021 fiscal year by \$42,488,836 (net position). Of this amount, the unrestricted net position had a deficit of \$65,661,141. Of the remaining net position \$13,874,274 is net investment in capital assets, \$100,000 is for payment of worker's compensation, \$1,368,608 represents the fund balance maintained by School Food Service, \$2,165,830 is restricted for school account allocations, \$1,752,751 is for payment of salaries and retiree benefits, \$2,583,732 is restricted for payment of long term debt, \$551,064 is restricted for natural disaster and insurance, \$476,760 is restricted for student activity funds, and \$299,286 is restricted for grants.

**Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021**

**Governmental Activities
Net Cost of Services
For the Year Ended June 30, 2021**



Total gross spending for all programs was \$37,180,548, whereas the net cost for all programs was \$26,635,404. The majority of the School Board's local taxes and Minimum Funding Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these six areas: regular programs \$9,675,159, special programs \$2,372,242, other instructional programs \$2,117,891, plant services \$3,006,061, student transportation \$3,224,452, and food services \$(111,620). The net cost of the remaining programs was \$6,351,219 overall.

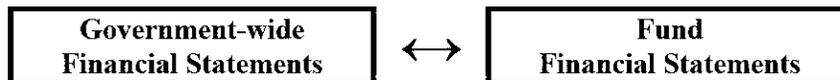
USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand Richland Parish School Board as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. Notes to the Financial Statements provide additional information that is essential for the fair presentation of the School Board's financial position and its operations. The notes are an integral part of the financial statements and should be considered part of the statements.

Annual Financial Report

Required Supplementary Information
Management's Discussion & Analysis (MD&A)

Basic Financial Statements



Notes to the Financial Statements

- Required Supplementary Information**
Schedule of Changes in Total OPEB Liability and Related Ratios
Schedule of Employer's Proportionate Share of the Net Pension Liability
Schedule of Employer Contributions to Pension Plans
Budgetary Information for Major Funds

- Supplementary Information**
Nonmajor Funds Combining Statements
Schedule of Compensation Paid Board Members
Schedule of Compensation, Benefits and Other Payments to Agency Head

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information and the Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities The analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, liabilities, and deferred outflows/inflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021

These two statements report the School Board's net position - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the Statement of Net Position - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net position - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

All activities reported in the Statement of Net Position and Statement of Activities are considered to be governmental activities. Governmental activities are all of the School Board's services, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements The School Board's fund financial statements provide detailed information about the most significant funds, not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The fund financial statements do not include the capitalization of capital assets or related depreciation nor do they include long term liabilities as the government-wide financial statements do. We describe the relationship between the government-wide financial statements and the fund financial statements in the reconciliations on Statements D and F.

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021

THE SCHOOL BOARD AS A WHOLE

The School Board's net position was \$(42,488,836) at June 30, 2021. Of this amount, unrestricted was a deficit of \$65,661,141. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use that net position for day-to-day operations. Our analysis below focuses on the net position, (Table 1) and the change in net position (Table 2) of the School Board's governmental activities.

Table 1
Net Position
June 30,

	Governmental Activities		
	2021	2020	Variance
Other assets	\$ 37,313,845	\$ 18,665,045	\$ 18,648,800
Capital assets	30,630,001	31,870,173	(1,240,172)
Total assets	<u>67,943,846</u>	<u>50,535,218</u>	<u>17,408,628</u>
Deferred outflows of resources	<u>12,767,346</u>	<u>11,386,882</u>	<u>1,380,464</u>
Other liabilities	5,513,553	4,697,003	816,550
Long-term liabilities	112,703,791	96,919,245	15,784,546
Total liabilities	<u>118,217,344</u>	<u>101,616,248</u>	<u>16,601,096</u>
Deferred inflows of resources	<u>4,982,684</u>	<u>8,726,137</u>	<u>(3,743,453)</u>
Net position			
Net investment in capital assets	13,874,274	13,580,404	293,870
Restricted	9,298,031	8,873,628	424,403
Unrestricted	(65,661,141)	(70,874,317)	5,213,176
Total net position	<u><u>\$ (42,488,836)</u></u>	<u><u>\$ (48,420,285)</u></u>	<u><u>\$ 5,931,449</u></u>

The 2020 balances were restated to include the ending balances of student activity funds due to implementation of GASB No. 84 – *Fiduciary Activities*.

The negative \$65,661,141 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to liquidate its assets and pay off all of its bills today including all of its non-capital liabilities (for example the OPEB and pension liabilities), there would be a deficit of \$65,661,141.

The net position increased by \$5,931,449 during the fiscal year ended June 30, 2021. This increase was primarily due to increased sales tax collections and indirect cost reimbursements from federal grants.

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021

Table 2
Changes in Net Position
For the Years Ended June 30,

	Governmental Activities		
	2021	2020	Variance
Revenues:			
Program revenues			
Charges for services	\$ 36,322	\$ 46,237	\$ (9,915)
Operating grants and contributions	10,508,822	6,829,182	3,679,640
General Revenues			
Ad valorem taxes	7,242,664	7,109,380	133,284
Sales taxes	7,284,278	6,434,809	849,469
State equalization	15,884,826	15,667,442	217,384
Other general revenues	2,155,085	2,218,209	(63,124)
Total revenues	<u>43,111,997</u>	<u>38,305,259</u>	<u>4,806,738</u>
Functions/Program Expenses:			
Instruction			
Regular programs	11,083,579	9,936,972	1,146,607
Special programs	2,729,373	2,705,753	23,620
Other instructional programs	4,862,611	3,092,973	1,769,638
Support services			
Student services	1,704,783	2,976,817	(1,272,034)
Instructional staff support	1,933,813	1,583,142	350,671
General administration	1,128,697	812,691	316,006
School administration	2,466,427	2,483,226	(16,799)
Business services	622,770	536,927	85,843
Plant services	3,261,194	2,912,324	348,870
Student transportation services	3,325,578	3,243,960	81,618
Central services	613,475	515,362	98,113
Community service programs	9,745	204,330	(194,585)
Food services	2,868,575	2,648,734	219,841
Interest on long-term debt	569,928	614,329	(44,401)
Total expenses	<u>37,180,548</u>	<u>34,267,540</u>	<u>2,913,008</u>
Increase (decrease) in net position	<u>5,931,449</u>	<u>4,037,719</u>	<u>1,893,730</u>
Net Position - beginning, as originally stated	(48,845,115)	(52,458,004)	3,612,889
Prior period adjustment	424,830	-	424,830
Net position - beginning, as restated	<u>(48,420,285)</u>	<u>(52,458,004)</u>	<u>4,037,719</u>
Net Position - ending	<u>\$ (42,488,836)</u>	<u>\$ (48,420,285)</u>	<u>\$ 5,931,449</u>

The 2020 amounts for other general revenues, student services and beginning net position were restated to include student activity funds as a result of implementation of GASB No. 84 – *Fiduciary Activities*.

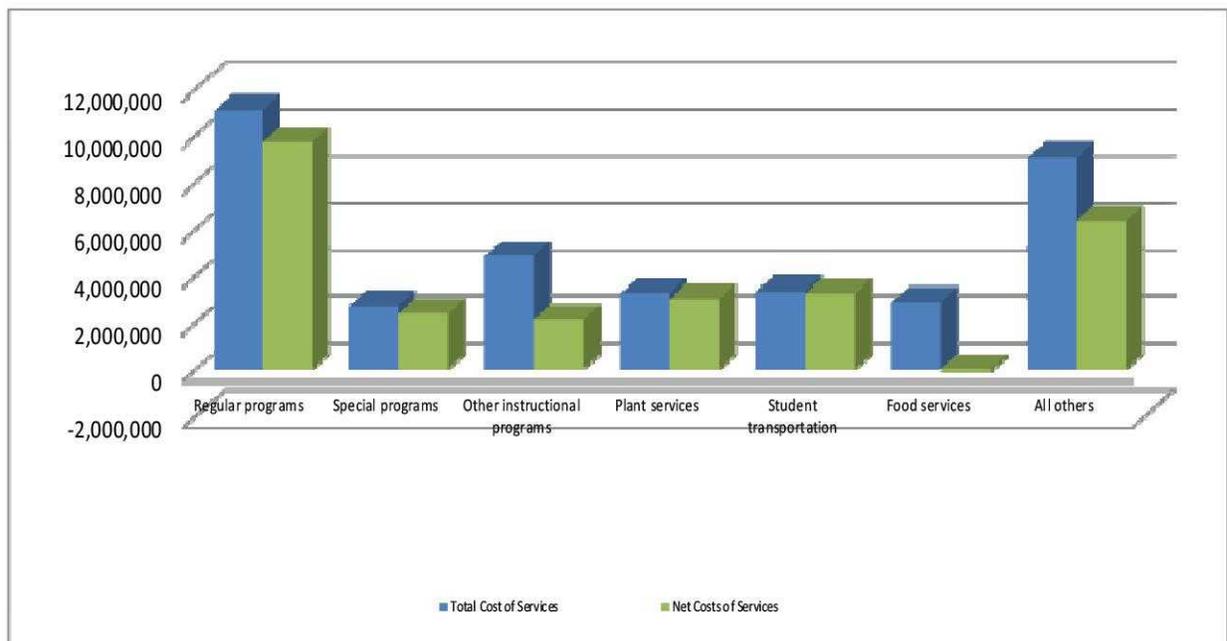
Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021

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

The 2020 balances for all others total cost and net cost was restated to include student activity funds due to implementation of GASB No. 84 – *Fiduciary Activities*.

Table 3
Cost of Services
For the Years Ended June 30,

Governmental Activities	2021		2020	
	Total Cost of Services	Net Costs of Services	Total Cost of Services	Net Costs of Services
Regular programs	\$ 11,083,579	\$ 9,675,159	\$ 9,936,972	\$ 9,808,270
Special programs	2,729,373	2,372,242	2,705,753	2,477,738
Other instructional programs	4,862,611	2,117,891	3,092,973	1,263,684
Plant services	3,261,194	3,006,061	2,912,324	2,887,267
Student transportation	3,325,578	3,224,452	3,243,960	3,242,979
Food services	2,868,575	(111,620)	2,648,734	401,261
All others	9,049,638	6,351,219	9,726,824	7,310,922
Totals	\$ 37,180,548	\$ 26,635,404	\$ 34,267,540	\$ 27,392,121



**Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021**

THE SCHOOL BOARD'S FUNDS

As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

Total fund balances of all governmental funds increased \$17,943,975 as follows:

The fund balance of the general fund increased \$3,273,621 due to increases in undistributed sales tax collections, indirect cost reimbursements from federal grants, and a budgeted operating surplus.

Education Stabilization is a cost reimbursement fund and therefore has no fund balance.

The Construction District #1 capital project fund increased \$13,996,967 due to issuance of bonds for \$12,000,000 with a premium of \$2,343,833.

The increase in nonmajor governmental fund balance of \$673,387 is primarily due to a budgeted surplus in the School Food Service Fund.

General Fund Budgetary Highlights As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplemental information section of this report.)

The \$580,081 increase to the original June 30, 2021 budgeted revenues was due to increased sales tax collections. The \$274,895 increase made to the original June 30, 2021 general fund budget's expenditures are primarily due to salary and benefit distributions associated with increased sales tax collections and increases in retiree health insurance costs.

The actual revenues exceeded the budgeted revenues by \$1,043,076, which was due to increased sales tax collections and indirect cost reimbursements. The actual expenditures exceeded the budgeted expenditures by \$97,083.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2021, the School Board had \$30,630,001 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of approximately \$1,240,172, or 4% from last year. See Note 6 in the notes to the financial statements for additional information.

**Capital Assets
June 30,**

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Land	\$ 102,200	\$ 102,200
Construction in Progress	185,200	61,700
Buildings	28,826,439	29,911,537
Furniture and equipment	1,516,162	1,794,736
Totals	<u>\$ 30,630,001</u>	<u>\$ 31,870,173</u>

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2021

Debt Administration At June 30, 2021, the School Board had \$31,032,687 in general obligation and private placement debt outstanding including the premium on bonds with maturities from 2025 to 2036 with interest rates ranging from 2.00 to 4.00 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2021, the School Board's net bonded debt of \$28,131,651 (total bonded debt of \$31,032,087 less fund balance in debt service funds of \$2,901,036) was well below the legal limit of \$76,299,825.

In addition to bonds, the School Board has debt associated with capital leases, compensated absences, and claims payable. We present more detailed information about our long term debt in Note 11 of the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The consolidated budget for the 2021-22 year includes a 1.0% increase in projected revenues and a corresponding 1.0% increase in projected expenditures. The increase in budgeted revenues and expenditures is primarily due to increasing sales tax collections and indirect cost reimbursements from federal awards. Projections show that more than 90% of the School Board's General Fund budget for the 2021-22 year is consumed by salaries and related benefits. Overall, the School Board has budgeted an excess of revenues over expenditures of \$.75 million for the 2021-22 fiscal year, which is attributed directly to the continued diligence of the School Board to maintain a fiscally sound budget.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Bill Martin, Business Manager, at Richland Parish School Board, P. O. 599, Rayville, Louisiana 71269-0599, telephone number (318) 728-5964.

BASIC FINANCIAL STATEMENTS:

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

RICHLAND PARISH SCHOOL BOARD

**STATEMENT OF NET POSITION
June 30, 2021**

	<u>Statement A GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 31,477,907
Investments	1,369,263
Receivables	3,611,267
Inventory	150,674
Prepaid items	704,734
Capital assets:	
Land and construction in progress	287,400
Depreciable assets, net of depreciation	30,342,601
TOTAL ASSETS	<u>67,943,846</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	71,201
Deferred outflows related to OPEB	2,611,171
Deferred outflows related to pensions	10,084,974
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>12,767,346</u>
LIABILITIES	
Accounts, salaries and other payables	5,031,981
Unearned revenue	164,268
Interest payable	317,304
Long-term liabilities:	
Long-term debt due within one year:	
Bonds, leases, claims, compensated absences	2,192,087
Long-term debt due within more than one year:	
Bonds, leases, claims, compensated absences	30,689,713
OPEB liability	42,692,907
Net pension liability	37,129,084
TOTAL LIABILITIES	<u>118,217,344</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	2,534,094
Deferred inflows related to pensions	2,448,590
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,982,684</u>
NET POSITION	
Net investment in capital assets	13,874,274
Restricted for:	
Worker's compensation	100,000
Grants	299,286
School Food Service	1,368,608
Student activity funds	476,760
School account allocations	2,165,830
Salaries and retiree benefits	1,752,751
Debt service	2,583,732
Natural disaster and insurance	551,064
Unrestricted	(65,661,141)
TOTAL NET POSITION	<u>\$ (42,488,836)</u>

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

RICHLAND PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021**

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 11,083,579	\$ -	\$ 1,408,420	\$ (9,675,159)
Special programs	2,729,373	-	357,131	(2,372,242)
Other instructional programs	4,862,611	-	2,744,720	(2,117,891)
Support services:				
Student services	1,704,783	-	612,645	(1,092,138)
Instructional staff support	1,933,813	-	1,697,974	(235,839)
General administration	1,128,697	-	10,171	(1,118,526)
School administration	2,466,427	-	100,908	(2,365,519)
Business services	622,770	-	129,118	(493,652)
Plant services	3,261,194	-	255,133	(3,006,061)
Student transportation services	3,325,578	-	101,126	(3,224,452)
Central services	613,475	-	147,603	(465,872)
Food services	2,868,575	36,322	2,943,873	111,620
Community service programs	9,745	-	-	(9,745)
Interest on long-term debt	569,928	-	-	(569,928)
Total Governmental Activities	\$ 37,180,548	\$ 36,322	\$ 10,508,822	(26,635,404)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				4,356,565
Property taxes, levied for debt services				2,886,099
Sales taxes, levied for general purposes				7,284,278
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				15,884,826
State revenue sharing				180,985
Other grants				28,627
Interest and investment earnings				91,454
Miscellaneous				1,854,019
Total general revenues				32,566,853
Changes in net position				5,931,449
Net position - beginning, as originally stated				(48,845,115)
Prior period adjustment				424,830
Net position - beginning, as restated				(48,420,285)
Net position - ending				\$ (42,488,836)

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

Richland Parish School Board

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BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

RICHLAND PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2021

Statement C

	GENERAL	EDUCATION STABILIZATION	CONSTRUCTION DISTRICT #1 DELHI	NONMAJOR GOVERNMENTAL	TOTAL
ASSETS					
Cash and cash equivalents	\$ 11,395,685	\$ -	\$ 14,092,081	\$ 5,990,141	\$ 31,477,907
Investments	1,369,263	-	-	-	1,369,263
Receivables	1,140,734	1,318,213	-	1,152,320	3,611,267
Interfund receivables	1,606,284	-	-	1,952	1,608,236
Inventory	-	-	-	150,674	150,674
Prepaid items	704,734	-	-	-	704,734
TOTAL ASSETS	16,216,700	1,318,213	14,092,081	7,295,087	38,922,081
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	3,943,718	322,815	95,114	670,334	5,031,981
Interfund payables	1,952	995,398	-	610,886	1,608,236
Unearned revenue	-	-	-	164,268	164,268
TOTAL LIABILITIES	3,945,670	1,318,213	95,114	1,445,488	6,804,485
FUND BALANCES:					
Nonspendable	704,734	-	-	84,166	788,900
Restricted	4,569,645	-	13,996,967	5,848,311	24,414,923
Unassigned	6,996,651	-	-	(82,878)	6,913,773
TOTAL FUND BALANCES	12,271,030	-	13,996,967	5,849,599	32,117,596
TOTAL LIABILITIES AND FUND BALANCES	\$ 16,216,700	\$ 1,318,213	\$ 14,092,081	\$ 7,295,087	\$ 38,922,081

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

RICHLAND PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2021**

		Statement D
Total fund balances - governmental funds	\$	32,117,596
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets 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.</p>		
Costs of capital assets	\$ 78,829,094	
Accumulated depreciation	<u>(48,199,093)</u>	
		30,630,001
<p>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.</p>		
Deferred charge on refunding		71,201
Deferred outflows related to pensions		10,084,974
Deferred outflows related to OPEB		2,611,171
Deferred inflows related to pensions		(2,448,590)
Deferred inflows related to OPEB		(2,534,094)
<p>Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.</p>		
Balances at June 30, 2021 are:		
Long-term liabilities		
Bonds payable	\$ (28,211,220)	
Premium on bonds	(3,067,687)	
Compensated absences payable	(1,099,945)	
Worker's compensation payable	(226,540)	
Capital lease payable	(276,408)	
Net pension liability	(37,129,084)	
OPEB liability	(42,692,907)	
Interest payable	<u>(317,304)</u>	
		<u>(113,021,095)</u>
Net Position - Governmental Activities	\$	<u><u>(42,488,836)</u></u>

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

RICHLAND PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021**

Statement E

REVENUES	CONSTRUCTION				TOTAL
	GENERAL	EDUCATION STABILIZATION	DISTRICT #1 DELHI	NONMAJOR GOVERNMENTAL	
Local sources:					
Taxes:					
Ad valorem	\$ 4,356,565	\$ -	\$ -	\$ 2,886,099	\$ 7,242,664
Sales and use	7,284,278	-	-	-	7,284,278
Interest earnings	76,497	-	-	14,957	91,454
Food service	-	-	-	36,322	36,322
Other	430,602	-	-	1,423,417	1,854,019
State sources:					
Equalization	15,709,018	-	-	175,808	15,884,826
Other	209,612	-	-	484,380	693,992
Federal sources	111,302	2,434,576	-	7,478,564	10,024,442
TOTAL REVENUES	28,177,874	2,434,576	-	12,499,547	43,111,997
EXPENDITURES					
Current:					
Instruction:					
Regular programs	10,516,717	863,424	-	193,482	11,573,623
Special programs	2,255,457	91,773	-	265,358	2,612,588
Other instructional programs	1,257,593	173,588	-	3,544,023	4,975,204
Support services:					
Student services	1,354,847	37,586	-	403,012	1,795,445
Instructional staff support	376,140	338,392	-	1,303,532	2,018,064
General administration	702,783	10,171	1,795	97,449	812,198
School administration	2,497,599	54,580	-	46,328	2,598,507
Business services	518,878	11,453	-	117,810	648,141
Plant services	2,954,506	253,923	854	281,350	3,490,633
Student transportation services	2,014,810	101,126	-	52	2,115,988
Central services	506,309	11,452	-	118,416	636,177
Food services	161,734	74,184	-	2,617,435	2,853,353
Community service programs	9,745	-	-	-	9,745
Capital outlay	-	-	126,233	159,079	285,312
Debt service:					
Principal retirement	238,067	-	-	2,040,000	2,278,067
Interest and bank charges	26,340	-	-	564,486	590,826
Bond issuance costs	-	-	217,984	106,712	324,696
TOTAL EXPENDITURES	25,391,525	2,021,652	346,866	11,858,524	39,618,567
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 2,786,349	\$ 412,924	\$ (346,866)	\$ 641,023	\$ 3,493,430

(CONTINUED)

RICHLAND PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021**

Statement E

	<u>GENERAL</u>	<u>EDUCATION STABILIZATION</u>	<u>CONSTRUCTION DISTRICT #1 DELHI</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 813,320	\$ -	\$ -	\$ 469,298	\$ 1,282,618
Transfers out	(326,048)	(412,924)	-	(543,646)	(1,282,618)
Proceeds on bonds issued	-	-	12,000,000	-	12,000,000
Premium on bonds issued	-	-	2,343,833	-	2,343,833
Refunding bonds issued	-	-	-	3,700,000	3,700,000
Premium on refunding bonds issued	-	-	-	110,368	110,368
Payment to refunded bond escrow agent	-	-	-	(3,703,656)	(3,703,656)
TOTAL OTHER FINANCING SOURCES (USES)	<u>487,272</u>	<u>(412,924)</u>	<u>14,343,833</u>	<u>32,364</u>	<u>14,450,545</u>
Net Change in Fund Balances	<u>3,273,621</u>	<u>-</u>	<u>13,996,967</u>	<u>673,387</u>	<u>17,943,975</u>
FUND BALANCES - BEGINNING, AS ORIGINALLY STATED	8,997,409	-	-	4,751,382	13,748,791
Prior period adjustment	-	-	-	424,830	424,830
FUND BALANCES - BEGINNING, AS RESTATED	<u>8,997,409</u>	<u>-</u>	<u>-</u>	<u>5,176,212</u>	<u>14,173,621</u>
FUND BALANCES - ENDING	<u>\$ 12,271,030</u>	<u>\$ -</u>	<u>\$ 13,996,967</u>	<u>\$ 5,849,599</u>	<u>\$ 32,117,596</u>

(CONCLUDED)

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

RICHLAND 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, 2021**

		Statement F
Total net change in fund balances - governmental funds	\$	17,943,975
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	\$	(1,874,925)
Capital outlays	<u>634,753</u>	(1,240,172)
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 and capital leases		2,278,067
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.		
Additions to premiums		(2,454,201)
Amortization of bond premiums		135,078
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 (\$809,893) exceeded the amounts used (\$489,625) by \$320,268.		
		(320,268)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.		
(Increase) decrease of incurred but not reported worker's compensation claims		13,112
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.		
		1,345,832
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.		
		340,550
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.		
		(111,725)
Payments to an escrow agent to refund bonded debt are reported in the Governmental Funds as Other Financing Sources. The amount paid to the escrow agent for principal is removed from the long-term bonded debt in the Statement of Net Position. The deferred part of the payment paid to the escrow agent is shown as deferred outflows of resources in the Statement of Net Position. The deferred amount is amortized over the lesser of the life of the original bonds or the life of the refunding bonds.		
Current year amortization on deferred outflow of resources on refundings		(2,455)
Proceeds on refunding bonds issued		(3,700,000)
Payments to refunding escrow agent		3,703,656
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 governmental funds. Neither transaction, however, has any effect on net position.		
Bonds issued		<u>(12,000,000)</u>
Change in net position of governmental activities	\$	<u>5,931,449</u>

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

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

<u>INDEX</u>	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	32
A. REPORTING ENTITY	32
B. FUNDS	32
Governmental Funds	32
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	33
Governmental Funds	33
D. CASH AND CASH EQUIVALENTS	34
E. INVESTMENTS	34
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES	35
G. ELIMINATION AND RECLASSIFICATIONS	35
H. INVENTORY AND PREPAID ITEMS	35
I. CAPITAL ASSETS	35
J. UNEARNED REVENUES	35
K. COMPENSATED ABSENCES	36
L. LONG-TERM LIABILITIES	36
M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES	37
N. RESTRICTED NET POSITION	37
O. FUND EQUITY OF FUND FINANCIAL STATEMENTS	37
P. INTERFUND ACTIVITY	38
Q. SALES TAXES	38
R. BUDGETS	38
S. USE OF ESTIMATES	39
NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY	39
NOTE 3 - LEVIED TAXES	39
NOTE 4 - DEPOSITS AND INVESTMENTS	41
NOTE 5 - RECEIVABLES	41
NOTE 6 - CAPITAL ASSETS	42
NOTE 7 - PENSION PLANS	42
NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS	49
NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES	52
NOTE 10 - COMPENSATED ABSENCES	52
NOTE 11 - LONG-TERM LIABILITIES	52
NOTE 12 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)	54
NOTE 13 - FUND BALANCE CLASSIFICATION DETAILS	55
NOTE 14 - RISK MANAGEMENT	55
NOTE 15 - LITIGATION AND CLAIMS	56
NOTE 16 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES	56
NOTE 17 - ECONOMIC DEPENDENCY	56
NOTE 18 - TAX ABATEMENTS	57
NOTE 19 - CHANGE IN PRESENTATION	57
NOTE 20 - NEW GASB STANDARDS	57

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying basic financial statements of the Richland 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 Richland Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Richland 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 eleven schools within the parish with a total enrollment of approximately 2,716 pupils. 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. The School Board also has no *component units*, defined by GASB Statements as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

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.

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

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

Construction District #1 Delhi This fund accounts for the proceeds and expenditure of \$12,000,000 in general obligation bonds issued February 3, 2021.

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.

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.

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:

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

Revenues

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

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

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

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. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. 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.

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

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

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

Definitions:

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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

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

F. 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 balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

G. 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.

H. 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.

I. 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 is \$5,000. 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 - 40 years
Furniture and equipment	3 - 10 years
Vehicles	5 - 8 years
Intangibles – software	5 years

Interest during construction is not capitalized on capital assets.

J. 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.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

K. COMPENSATED ABSENCES All 12-month employees earn from twelve to eighteen days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated but cannot exceed sixty days. However, upon separation, all unused vacation up to sixty days is paid to the employee.

All School Board 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 10 years.
- 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.

L. 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

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board reported deferred outflows related to pensions due to changes of assumptions, changes in proportion and differences between employer contributions and proportionate share of contributions and employer contributions subsequent to the measurement date. Deferred outflows related to OPEB was due to changes in assumptions and other changes listed in Note 8. Deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board reported deferred inflows related to pensions due to differences between expected and actual experience, differences between projected and actual earnings on pension plan investments and changes in proportion and differences between employer contributions and proportionate share of contributions. See note 7 for more information. Additionally, the School Board reported deferred inflows of resources for OPEB. See note 8 for additional information.

N. 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 school account allocations, salaries and retiree benefits, debt service and natural disaster and insurance are restricted by enabling legislation.

O. FUNDEQUITY 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

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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 committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. 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.

P. 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.

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

The School Board has a one cent parish-wide sales and use tax as authorized in a special election held February 6, 1968. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the School System and for benefits of the retirees of the School System.

The School Board has a one-half cent parish-wide sales and use tax as authorized in a special election held September 21, 1996 and renewed in a special election on April 29, 2017 for ten years. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is to be dedicated and used solely to maintain and operate the public schools of Richland Parish.

The School Board has a one-half cent parish-wide sales and use tax as authorized in a special election held July 15, 2000. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is to be dedicated and used solely to pay salaries and benefits of teachers and other School Board employees.

R. BUDGETS

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

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

Each year prior to September 15, the Superintendent submits to the Board 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.

**Richland Parish School Board
Notes to the Financial Statements
June 30, 2021**

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.

S. 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 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations in Individual Funds The following fund had actual expenditures over budgeted expenditures for the year ended June 30, 2021:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 25,294,442	\$ 25,391,525	\$ (97,083)

Fund Deficiencies The Capital Project fund for District #3 has an ending deficit of (\$82,811) and the Capital Project fund District #2 has an ending deficit of (\$67). These deficits will be cleared by revenues to be received in the 2022 fiscal year.

NOTE 3 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Richland Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Richland Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

The Richland 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	August 14, 2020
Tax bills mailed	November 12, 2020
Due date	January 31, 2021
Lien date	May 7, 2021
Tax sale date - 2020 delinquent property	May 5, 2021

**Richland Parish School Board
Notes to the Financial Statements
June 30, 2021**

Assessed values are established by the Richland 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, 2016. Total assessed value was \$217,999,502 in calendar year 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$30,545,848 of the assessed value in calendar year 2020.

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 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 2020 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	9.70	9.70	Statutory
Maintenance	9.57	9.57	2026
District taxes:			
School District #1	Various	6.00	2024
School District #3	Various	18.00	2030
School District #4	Various	29.00	2035

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

NOTE 4 - 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 investments are in Certificates of Deposits which do not have credit ratings; however, 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 \$32,847,170 and the bank balance was \$33,425,801 which includes \$1,369,263 in certificate of deposits classified as investments. These deposits are reported as follows: Statement A cash and cash equivalents, \$31,477,907, and Statement A investments \$1,369,263. Of the bank balance, \$2,266,171 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 5 - RECEIVABLES The balance of receivables at June 30, 2021, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	Education Stabilization	Nonmajor Governmental	Total
Taxes:				
Sales and use	\$ 691,568	\$ -	\$ -	\$ 691,568
Intergovernmental-grants:				
Federal	58,692	1,318,213	1,111,737	2,488,642
State	3,442	-	40,583	44,025
Local Accounts	387,032	-	-	387,032
Total	<u>\$ 1,140,734</u>	<u>\$ 1,318,213</u>	<u>\$ 1,152,320</u>	<u>\$ 3,611,267</u>

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2021 are as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Governmental activities				
Nondepreciable capital assets				
Land	\$ 102,200	\$ -	\$ -	\$ 102,200
Construction in Progress	61,700	532,218	408,718	185,200
Total nondepreciable capital assets	<u>163,900</u>	<u>532,218</u>	<u>408,718</u>	<u>287,400</u>
Depreciable capital assets				
Buildings	70,983,438	427,197	-	71,410,635
Furniture and equipment	7,059,093	84,055	12,089	7,131,059
Total depreciable capital assets	<u>78,042,531</u>	<u>511,252</u>	<u>12,089</u>	<u>78,541,694</u>
Less accumulated depreciation				
Buildings	41,071,900	1,512,296	-	42,584,196
Furniture and equipment	5,264,357	362,629	12,089	5,614,897
Total accumulated depreciation	<u>46,336,257</u>	<u>1,874,925</u>	<u>12,089</u>	<u>48,199,093</u>
Total depreciable capital assets, net	<u>31,706,274</u>	<u>(1,363,673)</u>	<u>-</u>	<u>30,342,601</u>
Governmental activities				
Capital assets, net	<u>\$ 31,870,174</u>	<u>\$ (831,455)</u>	<u>\$ 408,718</u>	<u>\$ 30,630,001</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 127,106
Special programs	260,836
Vocational programs	12,851
Other Instructional services	6,698
Student services	5,686
Instructional staff support	11,371
Plant services	70,638
Student transportation services	1,245,168
Food services	134,571
Total depreciation expense	<u>\$ 1,874,925</u>

NOTE 7 - 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 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.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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.

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.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

Most of the TRSL members at the School Board are participants in the Regular Plan. In the regular plan, eligibility for retirement is determined by the date the member joined TRSL. Members hired prior to January 1, 2011, are eligible to receive retirement benefits (1) at the age of 60 with five 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. Members hired between January 1, 2011, and June 30, 2015, are eligible to retire at age 60 with five years of service. Members hired on or after July 1, 2015, are eligible to retire at age 62 with five years of service. All regular plan members are eligible to retire at any age with 20 years of service but the benefit is actuarially-reduced if the member is hired on or after July 1, 1999. Retirement benefits for regular plan members are calculated by applying a percentage ranging from 2% to 2.5% of final average compensation multiplied by years of creditable service. Average compensation is defined in R.S. 11:701 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 on or 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. Benefits are paid for life to a surviving spouse unless the deceased active member has less than 20 years of creditable service and the surviving spouse remarries before the age of 55.

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.

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.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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 2021 were \$459,467 with active member contributions ranging from 7.5% to 8%, and employer contributions of 28.7%. Employer defined benefit plan contributions to TRSL for fiscal year 2021 were \$3,830,716, with active member contributions of 8%, and employer contributions of 25.8%. Non-employer contributions to TRSL, which are comprised of \$128,264 from ad valorem taxes and revenue sharing funds and \$3,552 from the State for PIP salaries, totaled \$131,816 for fiscal year 2021. 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, 2021, the School Board reported liabilities of \$4,065,050 and \$33,064,034 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, 2020, 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, 2020, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were .505945%, or a decrease of .021440% for LSERS and .29724% or a decrease of .00425% for TRSL.

For the year ended June 30, 2021, the School Board recognized a total pension expense of \$2,944,351, or \$436,972 and \$2,507,379 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	\$ -	\$ -	\$ -	\$ 100,067	\$ 530,751	\$ 630,818
Changes of assumptions	24,225	1,966,982	1,991,207	-	-	-
Net difference between projected and actual earnings on pension plan investments	618,939	2,552,346	3,171,285	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	632,300	632,300	107,258	1,710,514	1,817,772
Employer contributions subsequent to the measurement date	459,466	3,830,716	4,290,182	-	-	-
Total	\$ 1,102,630	\$ 8,982,344	\$ 10,084,974	\$ 207,325	\$ 2,241,265	\$ 2,448,590

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>LSERS</u>	<u>TRSL</u>	Total
2022	\$ (13,394)	\$ (366,463)	\$ (379,857)
2023	119,779	958,485	1,078,264
2024	187,922	1,405,897	1,593,819
2025	141,532	912,444	1,053,976

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

Actuarial Assumptions

The total pension liabilities for LSERS and TRSL in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	<u>LSERS</u>	<u>TRSL</u>
Valuation Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	7%, net of investment expenses, including inflation	7.45%, net of investment expenses
Inflation Rate	2.5% per annum	2.3% per annum
Mortality - Non-disabled	RP-2014 Healthy Annuitant Tables, RP-2014 Sex Distinct Employee Tables, RP-2014 Sex Distinct Mortality Table	Active members - RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by .997 for females. Non-Disabled retiree/inactive members - RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.
Mortality - Disabled	RP-2014 Sex Distinct Disabled Tables	Disability retiree mortality - RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females. These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.
Termination, Disability, Retirement	2012-2017 experience study	Termination, disability, and retirement assumptions were projected based on a 5-year (July 1, 2012 - June 30, 2017) experience study of the system's members.
Salary Increases	3.25% based on a 2013-2017 experience study of the system	3.1% - 4.6% varies depending on the duration of service
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

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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.

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 of 2.5% and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of real rates of return for each major asset class are summarized for each plan in the following table:

	<u>Target Allocation</u>	<u>LT Expected Real Rate of Return</u>
TRSL (arithmetic)		
Domestic equity	27.00%	4.60%
International equity	19.00%	5.54%
Domestic fixed income	13.00%	0.69%
International fixed income	5.50%	1.50%
Private equity	25.50%	8.62%
Other private assets	10.00%	4.45%
Total	<u>100.00%</u>	
LSERS (arithmetic)		
Fixed income	26.00%	0.92%
Equity	39.00%	2.82%
Alternatives	23.00%	1.95%
Real estate	12.00%	0.69%
Total	<u>100.00%</u>	6.38%
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u>8.38%</u>

Discount Rate. The discount rate used to measure the total pension liability was 7% for LSERS and 7.45% 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 and approved by the Public Employees' Retirement Systems Actuarial Committee taking into consideration the recommendation of the system's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The LSERS discount rate did not change. The TRSL discount rate used in the June 30, 2020 net pension liability valuation was decreased from the 7.55% used in the June 30, 2019 valuation to 7.45%.

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

**Richland Parish School Board
Notes to the Financial Statements
June 30, 2021**

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	\$ 5,324,613	\$ 4,065,050	\$ 2,987,797
TRSL	43,162,304	33,064,034	24,563,256

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, 2021, the School Board had \$152,421 and \$1,725,975 in payables to LSERS and TRSL, respectively, for the June 2020 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 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 2021 totaled \$23,088, which represents pension expense for the School Board. Employee contributions totaled \$6,597. The active member and employer contribution rates were 8% and 6.2%, respectively, with an additional employer contribution of 21.8% made to the TRSL defined benefit plan described above.

NOTE 8 - 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

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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.

Employees Covered by Benefit Terms - At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	420
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	293
Total	713

Total OPEB Liability - The School Board's total OPEB liability of \$42,692,907 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2021 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	2.20%
Discount rate	2.16% based on the Bond Buyer General Obligation 20 bond municipal index
Healthcare trend	5.0%/6.2% for non-Medicare/Medicare claims in 2019, gradually decreasing to an ultimate rate of 3.7%/3.7% for 2073 and beyond.
Mortality	PUB-2010 General Amount-Weighted Table with Mortality Improvement Scale MP-2021 on a generational basis for Employees, Retirees, and Survivors, as applicable
Turnover	Range from 9% at age 25 to 4.2% at ages 50 and over with 4 years of experience
Retirement rates	Ranges from 3.5% at age 38 increasing to 23.5% at age 60, declining to 20% at age 74.
Salary increase	3.00%

The discount rate changed from 2.21% at June 30, 2020 to 2.16% at June 30, 2021. No salary experience studies were conducted. The School Board contributed \$2,441,564 utilizing the pay-as-you-go basis.

**Richland Parish School Board
Notes to the Financial Statements
June 30, 2021**

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at June 30, 2020	\$ 42,841,511
Changes for the year:	
Service cost	822,721
Interest	938,147
Effect of economic/demographic gains and losses	-
Effect of assumptions changes or inputs	532,092
Benefit payments	(2,441,564)
Net changes	(148,604)
Balance at June 30, 2021	\$ 42,692,907

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.

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	\$ 50,024,399	\$ 42,692,907	\$ 36,819,569

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.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 36,254,961	\$ 42,692,907	\$ 50,804,989

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB– For the year ended June 30, 2021, the School Board recognized OPEB expense of \$2,101,014. At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,770,406
Changes of assumptions	(2,534,094)	840,765
Total	\$ (2,534,094)	\$ 2,611,171

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

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

Year Ended June 30:		
2022	\$	179,601
2023		(225,313)
2024		122,789

NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2021, are as follows:

	General	Education Stabilization	Construction District #1 Delhi	Nonmajor Governmental	Total
Salaries	\$ 1,207,573	\$ 308,713	\$ -	\$ 550,364	\$ 2,066,650
Accounts	2,736,145	14,102	95,114	119,970	2,965,331
Total	\$ 3,943,718	\$ 322,815	\$ 95,114	\$ 670,334	\$ 5,031,981

NOTE 10 - COMPENSATED ABSENCES At June 30, 2021, employees of the School Board have accumulated and vested \$1,099,945 of employee leave benefits, including \$15,722 of salary-related benefits. These employee leave benefits were computed in accordance with GASB Codification Section C60.

NOTE 11 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2021:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation debt	\$ 14,420,000	\$ 12,000,000	\$ 4,395,000	\$ 22,025,000	\$ 500,000
Bonds from direct borrowings & private placement	3,515,000	3,700,000	1,275,000	5,940,000	870,000
Premium on bonds	748,564	2,454,201	135,078	3,067,687	-
Other liabilities:					
Compensated absences	779,677	809,893	489,625	1,099,945	489,625
Worker's compensation claims	239,652	73,130	86,242	226,540	86,242
Capital Leases	760,695	-	238,067	522,628	246,220
Governmental Activities					
Long-term liabilities	\$ 20,463,588	\$ 19,037,224	\$ 6,619,012	\$ 32,881,800	\$ 2,192,087

The compensated absences liability, worker's compensation liability, and capital leases attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 100% was paid by the general fund. The general obligation debt and bonds from direct borrowings & private placement will be paid from the debt service funds.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

The individual bond issues are as follows:

General Obligation Bonds

<u>Bond issue</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>
School District #4	7/28/2016	\$ 12,000,000	2%-4%	3/1/2036	\$ 2,957,450	\$ 10,025,000
School District #1	3/1/2021	12,000,000	4%	3/1/2031	3,223,533	12,000,000
Total					<u>\$ 6,180,983</u>	<u>\$ 22,025,000</u>

Direct Borrowing & Private Placement Bonds

<u>Bond issue</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>
School District #1 Refunding	4/16/2013	\$ 5,295,000	2.45%	3/1/2025	\$ 139,895	\$ 2,255,000
School District #3 Refunding	12/2/2020	3,700,000	2.00%	3/1/2031	419,200	3,685,000
Total					<u>\$ 559,095</u>	<u>\$ 5,940,000</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, 2021, the School Board has accumulated \$2,901,036 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30,	General Obligation Bonds		Bonds from Direct Borrowings & Direct Placements	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments
	2022	\$ 500,000	\$ 827,333	\$ 870,000
2023	1,265,000	802,500	900,000	109,118
2024	1,320,000	759,100	920,000	88,598
2025	1,370,000	706,300	940,000	67,632
2026	2,040,000	645,350	360,000	46,200
2027-2031	11,510,000	2,046,050	1,950,000	118,599
2032-2036	4,020,000	394,350	-	-
Total	<u>\$ 22,025,000</u>	<u>\$ 6,180,983</u>	<u>\$ 5,940,000</u>	<u>\$ 559,095</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. At June 30, the statutory limit was \$76,299,825 and outstanding net bonded debt totaled \$28,131,651.

Advanced Refunding On December 2, 2020, the School Board issued \$3,700,000 District No. 3 Refunding Series 2020 private placement bonds with an interest rate of 2%. The proceeds were to advance refund \$3,630,000 of outstanding District No. 3 general obligation bonds which had interest rates ranging from 3.25% to 4.25%. The net proceeds of \$3,703,656 (after payment of \$106,712 of bond issuance costs) were deposited in an irrevocable trust with an escrow agent for the purpose of generating resources for all future debt service payments on the refunded

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

bonds. As a result, the District No. 3 Series 2011 general obligation bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$73,656. This amount is reported as a deferred outflow of resources and amortized over the life of the new bonds. The advanced refunding reduced its total debt service payments by \$435,562 for an economic savings of \$405,084.

Capital Lease During the 2018 fiscal year, the School Board purchased 7 school buses under a new capital lease for \$572,125. The net book value of the purchased school buses was \$370,822 at fiscal year end. Depreciation expense for the year was \$63,569.

During the 2020 fiscal year, the School Board purchased 8 school buses under a new capital lease for \$660,416. The net book value of the purchased school buses was \$532,002 at fiscal year end. Depreciation expense for the year was \$73,380.

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2021:

<u>Fiscal Year-end</u>		
2022	\$	264,407
2023		145,604
2024		145,604
Less: amounts representing interest		32,987
Present value of net minimum lease payments	\$	<u>522,628</u>

NOTE 12 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund receivable/payable:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 610,886	Nonmajor Governmental	\$ 610,886
General	995,398	Education Stabilization	995,398
Nonmajor Governmental	1,952	General	1,952
	<u>\$ 1,608,236</u>		<u>\$ 1,608,236</u>

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

Interfund transfers:

<u>Receiving Fund</u>	<u>Transfers In</u>	<u>Paying Fund</u>	<u>Transfers Out</u>
Nonmajor Governmental	\$ 326,048	General Fund	\$ 326,048
General Fund	412,924	Education Stabilization	412,924
General Fund	400,396	Nonmajor Governmental	400,396
Nonmajor Governmental	143,250	Nonmajor Governmental	143,250
	<u>\$ 1,282,618</u>		<u>\$ 1,282,618</u>

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

The purpose of the interfund transfers was to move indirect costs from federal programs to the general fund, cover operating expenditures of the School Food Service Fund, and LA4 Program and to transfer Title II and IV funds back to the proper fund. The monies were drawn down from Title II and IV but were used in Title I.

NOTE 13 - FUND BALANCE CLASSIFICATION DETAILS

	General	Construction District #1 Delhi	Nonmajor Governmental	Total
Non spendable:				
Inventory	\$ -	\$ -	\$ 84,166	\$ 84,166
Prepays	704,734	-	-	704,734
Restricted for:				
Workers compensation reserve	100,000	-	-	100,000
School food service	-	-	1,368,608	1,368,608
Vocational/JAG grants	-	-	195,953	195,953
Other grants	-	-	103,333	103,333
School account allocations	2,165,830	-	476,760	2,642,590
Salaries and benefits	1,752,751	-	-	1,752,751
Debt service	-	-	2,901,036	2,901,036
Capital Projects	-	13,996,967	802,621	14,799,588
Natural disaster and insurance	551,064	-	-	551,064
Unassigned	6,996,651	-	(82,878)	6,913,773
Total	<u><u>\$ 12,271,030</u></u>	<u><u>\$ 13,996,967</u></u>	<u><u>\$ 5,849,599</u></u>	<u><u>\$ 32,117,596</u></u>

NOTE 14 - RISK MANAGEMENT The School Board initiated a self-insured program for workers' compensation in 1991. It joined a pool of school boards in Northeast Louisiana in order to share workers' compensation costs. The School Board's share of risk is determined by calculating its percentage of the total manual premium of the group. The risk allocated to the School Board for the year ended June 30, 2021 was 48%. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

Changes in the claims amount for the last three fiscal years were as follows:

Years Ended June 30,	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Ending of Fiscal Year Liability
2018-2019	\$ 28,597	\$ 442,913	\$ 172,803	\$ 298,707
2019-2020	298,707	75,232	134,287	239,652
2020-2021	239,652	73,130	86,242	226,540

During the fiscal year 2021, a total of \$86,242 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$350,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. Claims payable of \$226,540 as of June 30, 2021 has been accrued as liability. Claims payable does not include incremental costs. Settlements have not exceeded insurance coverage for each of the past three fiscal years. In addition, the School Board is at risk for property damage, liability, and theft which are covered by insurance policies.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

The School Board also participates in an entity risk pool for insurance coverage, including property and casualty 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 is 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 any and all claims after notice of loss has been received.

NOTE 15 - LITIGATION AND CLAIMS

Litigation The School Board is a defendant in several lawsuits. 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.

Construction Commitments The School Board had \$113,000 in construction contracts outstanding for District 3 (Rayville) and \$118,500 for District 1 (Delhi) as of June 30, 2021.

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 16 - 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 \$3,552. 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 2020, the Tax Collector paid the Teacher's Retirement System of Louisiana \$178,942. This amount was recognized as ad valorem revenue and a reduction in the School Board's required contribution to the TRSL pension plan.

NOTE 17 - 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 \$15,884,826 to the School Board, which represents approximately 37% of the School Board's total revenue for the year.

Richland Parish School Board
Notes to the Financial Statements
June 30, 2021

NOTE 18 - 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, 2021 by authorized millage is as follows:

<u>Tax Code</u>	<u>Taxable Value</u>	<u>Taxpayer Exemption</u>
Parishwide constitutional and maintenance	\$ 18,555,990	\$ 357,574
School District #1	18,555,990	296,896
		<u>\$ 654,470</u>

NOTE 19 - CHANGE IN PRESENTATION The fund, Title I, was presented as major for the fiscal year ended June 30, 2020. In the current fiscal year, this fund did not meet the criteria to be presented as major but the Education Stabilization and Construction District #1 Delhi funds did meet the criteria.

NOTE 20 - NEW GASB STANDARDS In the current fiscal year, the School Board implemented GASB Statement No. 84—*Fiduciary Activities*. The principal objective of this statement is to enhance the consistency and comparability of fiduciary activities for accounting and financial reporting and how those activities should be reported. The impact to the School Board resulted in certain activities previously reported as fiduciary not being considered fiduciary under GASB 84. The Student Activity Funds, previously reported as agency funds, are now reported as special revenue funds. Due to this restatement, the Student Activity Funds beginning fund balance was restated to \$424,830.

Richland Parish School Board

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REQUIRED SUPPLEMENTARY INFORMATION

Richland Parish School Board

**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2021**

Exhibit 1-1

Total OPEB Liability	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service costs	\$ 822,721	\$ 780,660	\$ 820,463	\$ 863,816
Interest	938,147	1,539,840	1,575,882	1,524,538
Effect of economic/demographic gains or (losses)	-	3,633,990	-	(172,435)
Effect of assumption changes or imputs	532,092	(5,201,560)	3,115,753	(1,819,493)
Benefit payments	<u>(2,441,564)</u>	<u>(2,233,159)</u>	<u>(2,160,195)</u>	<u>(2,275,237)</u>
Net change in total OPEB liability	(148,604)	(1,480,229)	3,351,903	(1,878,811)
Total OPEB liability - Beginning	<u>42,841,511</u>	<u>44,321,740</u>	<u>40,969,837</u>	<u>42,848,648</u>
Total OPEB liability - Ending	42,692,907	42,841,511	44,321,740	40,969,837
Covered employee payroll	15,205,348	14,934,430	16,586,315	16,451,726
Total OPEB liability as a percentage of covered employee payroll	280.78%	286.86%	267.22%	249.03%

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%

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.

Richland Parish School Board

**Schedule of Employer's Proportionate Share of the Net Pension Liability
June 30, 2021**

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	0.567800%	\$ 3,297,097	\$ 1,593,525	207%	76.18%
2016	0.546381%	3,464,749	1,525,542	227%	74.49%
2017	0.580943%	4,382,328	1,651,077	265%	70.09%
2018	0.567960%	3,634,529	1,626,624	223%	75.03%
2019	0.530794%	3,546,433	1,531,094	232%	74.44%
2020	0.527385%	3,692,021	1,437,125	257%	73.49%
2021	0.505945%	4,065,050	1,424,899	285%	69.67%
Teacher's Retirement System of Louisiana					
2015	0.37210%	\$ 38,033,528	\$ 16,765,123	227%	63.7%
2016	0.33946%	36,499,358	15,688,153	233%	62.5%
2017	0.33949%	39,846,366	15,107,641	264%	59.9%
2018	0.31464%	32,256,506	14,613,204	221%	65.6%
2019	0.29553%	29,044,354	13,803,547	210%	68.2%
2020	0.30149%	29,922,125	13,992,829	214%	68.6%
2021	0.29724%	33,064,034	14,156,501	234%	65.6%

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. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

See notes to required supplementary information for pensions.

Richland Parish School Board

**Schedule of Employer Contributions to Pension Plans
For the Year Ended June 30, 2021**

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	\$ 503,594	\$ 503,594	\$ -	\$ 1,525,542	33.0%
2016	501,946	501,946	-	1,651,077	30.4%
2017	444,098	444,098	-	1,626,624	27.3%
2018	422,576	422,576	-	1,531,094	27.6%
2019	401,691	401,691	-	1,437,125	28.0%
2020	418,920	418,920	-	1,424,899	29.4%
2021	461,429	461,429	-	1,606,972	28.7%
Teacher's Retirement System of Louisiana					
2015	\$ 4,354,421	\$ 4,354,421	\$ -	\$ 15,688,153	27.8%
2016	4,021,668	4,021,668	-	15,107,641	26.6%
2017	3,729,044	3,729,044	-	14,613,204	25.5%
2018	3,671,744	3,671,744	-	13,803,547	26.6%
2019	3,736,085	3,736,085	-	13,992,829	26.7%
2020	3,675,370	3,675,370	-	14,156,501	26.0%
2021	3,835,807	3,835,807	-	14,866,465	25.8%

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. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

See notes to required supplementary information for pensions.

Richland 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 investments 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 investments 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 investments 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 investments 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%

Richland 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%

Richland Parish School Board

Budgetary Comparison Schedule

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

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.

RICHLAND PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2021**

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 4,090,099	\$ 4,036,955	\$ 4,356,565	\$ 319,610
Sales and use	6,380,791	7,176,473	7,284,278	107,805
Interest earnings	22,475	65,171	76,497	11,326
Other	295,423	185,771	430,602	244,831
State sources:				
Equalization	15,686,468	15,588,235	15,709,018	120,783
Other	29,268	29,583	209,612	180,029
Federal sources				
	50,193	52,610	111,302	58,692
TOTAL REVENUES	26,554,717	27,134,798	28,177,874	1,043,076
EXPENDITURES				
Current:				
Instruction:				
Regular programs	10,129,041	10,543,880	10,516,717	27,163
Special programs	2,527,274	2,247,151	2,255,457	(8,306)
Other instructional programs	1,376,248	1,250,931	1,257,593	(6,662)
Support services:				
Student services	1,331,204	1,349,792	1,354,847	(5,055)
Instructional staff support	320,983	374,618	376,140	(1,522)
General administration	590,086	644,316	702,783	(58,467)
School administration	2,575,814	2,488,562	2,497,599	(9,037)
Business services	529,927	502,146	518,878	(16,732)
Plant services	2,593,479	2,948,991	2,954,506	(5,515)
Student transportation services	2,415,187	2,273,440	2,014,810	258,630
Central services	462,788	504,577	506,309	(1,732)
Food services	157,771	156,293	161,734	(5,441)
Community service programs	9,745	9,745	9,745	-
Debt service:				
Principal retirement	-	-	238,067	(238,067)
Interest and bank charges	-	-	26,340	(26,340)
TOTAL EXPENDITURES	25,019,547	25,294,442	25,391,525	(97,083)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 1,535,170	\$ 1,840,356	\$ 2,786,349	\$ 945,993

(CONTINUED)

RICHLAND PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2021**

Exhibit 1-4

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 4,680,000	\$ 10,634,920	\$ 813,320	\$ (9,821,600)
Transfers out	(6,299,576)	(7,653,237)	(326,048)	7,327,189
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,619,576)</u>	<u>2,981,683</u>	<u>487,272</u>	<u>(2,494,411)</u>
Net Change in Fund Balances	(84,406)	4,822,039	3,273,621	(1,548,418)
FUND BALANCES - BEGINNING	<u>6,906,999</u>	<u>4,355,724</u>	<u>8,997,409</u>	<u>4,641,685</u>
FUND BALANCES - ENDING	<u>\$ 6,822,593</u>	<u>\$ 9,177,763</u>	<u>\$ 12,271,030</u>	<u>\$ 3,093,267</u>

(CONCLUDED)

See accompanying notes to budgetary comparison schedules.

RICHLAND PARISH SCHOOL BOARD

**EDUCATION STABILIZATION
Budgetary Comparison Schedule
For the Year Ended June 30, 2021**

Exhibit 1-5

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Federal sources	\$ 1,559,421	\$ 2,434,576	\$ 2,434,576	\$ -
TOTAL REVENUES	1,559,421	2,434,576	2,434,576	-
EXPENDITURES				
Current:				
Instruction:				
Regular programs	934,311	983,953	863,424	120,529
Special programs	44,110	91,774	91,773	1
Other instructional programs	-	53,056	173,588	(120,532)
Support services:				
Student services	41,394	37,586	37,586	-
Instructional staff support	8,000	338,386	338,392	(6)
General administration	-	10,171	10,171	-
School administration	533	54,580	54,580	-
Business services	-	11,453	11,453	-
Plant services	278,085	253,922	253,923	(1)
Student transportation services	-	101,127	101,126	1
Central services	-	11,453	11,452	1
Food services	-	74,191	74,184	7
TOTAL EXPENDITURES	1,306,433	2,021,652	2,021,652	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	252,988	412,924	412,924	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(252,988)	(412,924)	(412,924)	-
Net Change in Fund Balances	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

See accompanying notes to budgetary comparison schedules.

Richland 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.

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.

Excess of Expenditures Over Appropriations The general fund had actual expenditures over budgeted expenditures for the year ended June 30, 2021:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 25,294,442	\$ 25,391,525	\$ (97,083)

SUPPLEMENTARY INFORMATION

Richland Parish School Board

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

RICHLAND PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet - By Fund Type

June 30, 2021

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECT	TOTAL
ASSETS				
Cash and cash equivalents	\$ 2,278,761	\$ 2,901,036	\$ 810,344	\$ 5,990,141
Receivables	1,152,320	-	-	1,152,320
Interfund receivables	1,952	-	-	1,952
Inventory	150,674	-	-	150,674
TOTAL ASSETS	3,583,707	2,901,036	810,344	7,295,087
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	579,733	-	90,601	670,334
Interfund payables	610,886	-	-	610,886
Unearned revenue	164,268	-	-	164,268
TOTAL LIABILITIES	1,354,887	-	90,601	1,445,488
FUND BALANCES:				
Nonspendable	84,166	-	-	84,166
Restricted	2,144,654	2,901,036	802,621	5,848,311
Unassigned	-	-	(82,878)	(82,878)
TOTAL FUND BALANCES	2,228,820	2,901,036	719,743	5,849,599
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,583,707	\$ 2,901,036	\$ 810,344	\$ 7,295,087

RICHLAND PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2021**

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ 2,886,099	\$ -	\$ 2,886,099
Interest earnings	356	6,193	8,408	14,957
Food service	36,322	-	-	36,322
Other	1,423,417	-	-	1,423,417
State sources:				
Equalization	175,808	-	-	175,808
Other	484,380	-	-	484,380
Federal sources				
	7,478,564	-	-	7,478,564
TOTAL REVENUES	9,598,847	2,892,292	8,408	12,499,547
EXPENDITURES				
Current:				
Instruction:				
Regular programs	189,586	-	3,896	193,482
Special programs	265,358	-	-	265,358
Other instructional programs	3,544,023	-	-	3,544,023
Support services:				
Student services	403,012	-	-	403,012
Instructional staff support	1,303,532	-	-	1,303,532
General administration	-	97,449	-	97,449
School administration	46,328	-	-	46,328
Business services	117,665	105	40	117,810
Plant services	1,210	-	280,140	281,350
Student transportation services	52	-	-	52
Central services	118,416	-	-	118,416
Food services	2,617,435	-	-	2,617,435
Capital outlay	-	-	159,079	159,079
Debt service:				
Principal retirement	-	2,040,000	-	2,040,000
Interest and bank charges	-	564,486	-	564,486
Bond issuance costs	-	106,712	-	106,712
TOTAL EXPENDITURES	8,606,617	2,808,752	443,155	11,858,524
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	992,230	83,540	(434,747)	641,023

(CONTINUED)

RICHLAND PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2021**

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	469,298	-	-	469,298
Transfers out	(543,646)	-	-	(543,646)
Refunding bonds issued	-	3,700,000	-	3,700,000
Premium on refunding bonds issued	-	110,368	-	110,368
Payment to refunded bond escrow agent	-	(3,703,656)	-	(3,703,656)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(74,348)</u>	<u>106,712</u>	<u>-</u>	<u>32,364</u>
Net Change in Fund Balances	<u>917,882</u>	<u>190,252</u>	<u>(434,747)</u>	<u>673,387</u>
FUND BALANCES - BEGINNING AS ORIGINALLY STATED	886,108	2,710,784	1,154,490	4,751,382
Prior period adjustment	<u>424,830</u>	<u>-</u>	<u>-</u>	<u>424,830</u>
FUND BALANCES - BEGINNING, AS RESTATED	<u>1,310,938</u>	<u>2,710,784</u>	<u>1,154,490</u>	<u>5,176,212</u>
FUND BALANCES - ENDING	<u>\$ 2,228,820</u>	<u>\$ 2,901,036</u>	<u>\$ 719,743</u>	<u>\$ 5,849,599</u>

(CONCLUDED)

Richland 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

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

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

TITLE I To meet the special needs of educationally deprived children.

TITLE II & IV To improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

LA4 The purpose for these funds are to assist prekindergarten intervention for targeted children, at-risk unserved four-year-olds.

VOCATIONAL/JAG GRANTS The purpose of these grants are to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

NATIONAL FARM TO SCHOOL NETWORK To account for resources for connecting and strengthening the farm to school movement.

TEACHER INCENTIVE To implement, improve, or expand performance based compensation systems for teachers, principals, and other school leaders.

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

MISCELLANEOUS FUNDS This fund accounts for several small state and federal funds such as 8G, Striving Readers Comprehensive Literacy, and Rural Education Achievement.

RICHLAND PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2021

	SCHOOL FOOD SERVICE	SPECIAL EDUCATION	TITLE I	TITLE II & IV	LA4
ASSETS					
Cash and cash equivalents	\$ 1,387,258	\$ -	\$ 12,040	\$ -	\$ 5,875
Receivables	130,365	191,102	648,731	73,338	35,266
Interfund receivables	1,952	-	-	-	-
Inventory	150,674	-	-	-	-
TOTAL ASSETS	1,670,249	191,102	660,771	73,338	41,141
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	161,886	72,525	207,864	1,978	33,091
Interfund payables	-	80,627	393,097	71,360	8,050
Unearned revenue	66,508	37,950	59,810	-	-
TOTAL LIABILITIES	228,394	191,102	660,771	73,338	41,141
FUND BALANCES:					
Nonspendable	84,166	-	-	-	-
Restricted	1,357,689	-	-	-	-
TOTAL FUND BALANCES	1,441,855	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,670,249	\$ 191,102	\$ 660,771	\$ 73,338	\$ 41,141

Exhibit 4

VOCATIONAL / JAG GRANTS	NATIONAL FARM TO SCHOOL NETWORK	TEACHER INCENTIVE	STUDENT ACTIVITY FUNDS	MISCELLANEOUS FUNDS	TOTAL
\$ 222,757	\$ 10,919	\$ 53,107	\$ 476,760	\$ 110,045	\$ 2,278,761
487	-	38,460	-	34,571	1,152,320
-	-	-	-	-	1,952
-	-	-	-	-	150,674
<u>223,244</u>	<u>10,919</u>	<u>91,567</u>	<u>476,760</u>	<u>144,616</u>	<u>3,583,707</u>
26,573	-	65,154	-	10,662	579,733
718	-	26,413	-	30,621	610,886
-	-	-	-	-	164,268
<u>27,291</u>	<u>-</u>	<u>91,567</u>	<u>-</u>	<u>41,283</u>	<u>1,354,887</u>
-	-	-	-	-	84,166
<u>195,953</u>	<u>10,919</u>	<u>-</u>	<u>476,760</u>	<u>103,333</u>	<u>2,144,654</u>
<u>195,953</u>	<u>10,919</u>	<u>-</u>	<u>476,760</u>	<u>103,333</u>	<u>2,228,820</u>
<u>\$ 223,244</u>	<u>\$ 10,919</u>	<u>\$ 91,567</u>	<u>\$ 476,760</u>	<u>\$ 144,616</u>	<u>\$ 3,583,707</u>

RICHLAND PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021**

	SCHOOL FOOD SERVICE	SPECIAL EDUCATION	TITLE I	TITLE II & IV	LA4
REVENUES					
Local sources:					
Interest earnings	\$ 356	\$ -	\$ -	\$ -	\$ -
Food service	36,322	-	-	-	-
Other	515	-	-	-	-
State sources:					
Equalization	85,915	-	-	-	-
Other	-	-	-	-	229,000
Federal sources	2,870,309	776,578	2,941,049	288,985	-
TOTAL REVENUES	2,993,417	776,578	2,941,049	288,985	229,000
EXPENDITURES					
Current:					
Instruction:					
Regular programs	-	-	177,541	10,124	-
Special programs	-	265,358	-	-	-
Other instructional programs	619	-	1,543,533	14,310	225,458
Support services:					
Student services	-	367,693	-	-	-
Instructional staff support	-	71,152	913,288	107,769	32,633
School administration	-	-	46,328	-	-
Business services	-	-	117,665	-	-
Plant services	-	-	1,210	-	-
Student transportation services	-	-	-	-	-
Central services	-	-	-	-	-
Food services	2,617,435	-	-	-	-
TOTAL EXPENDITURES	2,618,054	704,203	2,799,565	132,203	258,091
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	375,363	72,375	141,484	156,782	(29,091)
OTHER FINANCING SOURCES (USES)					
Transfers in	296,957	-	143,250	-	29,091
Transfers out	-	(72,375)	(284,734)	(156,782)	-
TOTAL OTHER FINANCING SOURCES (USES)	296,957	(72,375)	(141,484)	(156,782)	29,091
Net Change in Fund Balances	672,320	-	-	-	-
FUND BALANCES - BEGINNING AS ORIGINALLY STATED	769,535	-	-	-	-
Prior period adjustment	-	-	-	-	-
FUND BALANCES - BEGINNING, AS RESTATED	769,535	-	-	-	-
FUND BALANCES - ENDING	\$ 1,441,855	\$ -	\$ -	\$ -	\$ -

Exhibit 5

VOCATIONAL / JAG GRANTS	NATIONAL FARM TO SCHOOL NETWORK	TEACHER INCENTIVE	STUDENT ACTIVITY FUNDS	MISCELLANEOUS FUNDS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356
-	-	-	-	-	36,322
-	-	-	1,422,902	-	1,423,417
89,893	-	-	-	-	175,808
-	-	-	-	255,380	484,380
282,382	-	277,844	-	41,417	7,478,564
372,275	-	277,844	1,422,902	296,797	9,598,847
-	-	1,921	-	-	189,586
-	-	-	-	-	265,358
281,368	-	-	1,370,972	107,763	3,544,023
-	-	-	-	35,319	403,012
-	-	131,612	-	47,078	1,303,532
-	-	-	-	-	46,328
-	-	-	-	-	117,665
-	-	-	-	-	1,210
52	-	-	-	-	52
-	-	118,416	-	-	118,416
-	-	-	-	-	2,617,435
281,420	-	251,949	1,370,972	190,160	8,606,617
90,855	-	25,895	51,930	106,637	992,230
-	-	-	-	-	469,298
-	-	(25,895)	-	(3,860)	(543,646)
-	-	(25,895)	-	(3,860)	(74,348)
90,855	-	-	51,930	102,777	917,882
105,098	10,919	-	-	556	886,108
-	-	-	424,830	-	424,830
105,098	10,919	-	424,830	556	1,310,938
\$ 195,953	\$ 10,919	\$ -	\$ 476,760	\$ 103,333	\$ 2,228,820

Richland Parish School Board

Nonmajor Debt Service Funds

School District No. 1
School District No. 2
School District No. 3
School District No. 4

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective ward.

RICHLAND PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2021

Exhibit 6

	<u>SCHOOL DISTRICT #1</u>	<u>SCHOOL DISTRICT #2</u>	<u>SCHOOL DISTRICT #3</u>	<u>SCHOOL DISTRICT #4</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	\$ 662,373	\$ 4,287	\$ 1,231,254	\$ 1,003,122	\$ 2,901,036
TOTAL ASSETS	<u>662,373</u>	<u>4,287</u>	<u>1,231,254</u>	<u>1,003,122</u>	<u>2,901,036</u>
FUND BALANCES:					
Restricted	<u>662,373</u>	<u>4,287</u>	<u>1,231,254</u>	<u>1,003,122</u>	<u>2,901,036</u>
TOTAL FUND BALANCES	<u>\$ 662,373</u>	<u>\$ 4,287</u>	<u>\$ 1,231,254</u>	<u>\$ 1,003,122</u>	<u>\$ 2,901,036</u>

RICHLAND PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021

Exhibit 7

	<u>SCHOOL DISTRICT #1</u>	<u>SCHOOL DISTRICT #2</u>	<u>SCHOOL DISTRICT #3</u>	<u>SCHOOL DISTRICT #4</u>	<u>TOTAL</u>
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 593,410	\$ -	\$ 1,209,706	\$ 1,082,983	\$ 2,886,099
Interest earnings	549	27	5,398	419	6,193
TOTAL REVENUES	<u>593,759</u>	<u>27</u>	<u>1,215,104</u>	<u>1,083,402</u>	<u>2,892,292</u>
EXPENDITURES					
Current:					
Support services:					
General administration	19,931	-	40,700	36,818	97,449
Business services	-	-	-	105	105
Debt service:					
Principal retirement	525,000	-	1,035,000	480,000	2,040,000
Interest and bank charges	69,135	-	125,751	369,600	564,486
Bond issuance costs	-	-	106,712	-	106,712
TOTAL EXPENDITURES	<u>614,066</u>	<u>-</u>	<u>1,308,163</u>	<u>886,523</u>	<u>2,808,752</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(20,307)	27	(93,059)	196,879	83,540
OTHER FINANCING SOURCES (USES)					
Refunding bonds issued	-	-	3,700,000	-	3,700,000
Premium on refunding bonds issued	-	-	110,368	-	110,368
Payment to refunded bond escrow agent	-	-	(3,703,656)	-	(3,703,656)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>106,712</u>	<u>-</u>	<u>106,712</u>
Net Change in Fund Balances	(20,307)	27	13,653	196,879	190,252
FUND BALANCES - BEGINNING	<u>682,680</u>	<u>4,260</u>	<u>1,217,601</u>	<u>806,243</u>	<u>2,710,784</u>
FUND BALANCES - ENDING	<u>\$ 662,373</u>	<u>\$ 4,287</u>	<u>\$ 1,231,254</u>	<u>\$ 1,003,122</u>	<u>\$ 2,901,036</u>

Richland Parish School Board

Nonmajor Capital Project Funds

District #3 Rayville
District #4 Mangham
Construction District #2 Start

The capital projects funds are used to account for financial resources to acquire, construct, and improve public school facilities in respective districts.

RICHLAND PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS

Combining Balance Sheet

June 30, 2021

Exhibit 8

	<u>DISTRICT #3 RAYVILLE</u>	<u>DISTRICT #4 MANGHAM</u>	<u>CONSTRUCTION DISTRICT #2 START</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 7,723	\$ 802,621	\$ -	\$ 810,344
TOTAL ASSETS	<u>7,723</u>	<u>802,621</u>	<u>-</u>	<u>810,344</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	90,534	-	67	90,601
TOTAL LIABILITIES	<u>90,534</u>	<u>-</u>	<u>67</u>	<u>90,601</u>
FUND BALANCES:				
Restricted	-	802,621	-	802,621
Unassigned	(82,811)	-	(67)	(82,878)
TOTAL FUND BALANCES	<u>(82,811)</u>	<u>802,621</u>	<u>(67)</u>	<u>719,743</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,723</u>	<u>\$ 802,621</u>	<u>\$ -</u>	<u>\$ 810,344</u>

RICHLAND PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECT FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021

Exhibit 9

	DISTRICT #3	DISTRICT #4	CONSTRUCTION	
	RAYVILLE	MANGHAM	DISTRICT #2	
	START	TOTAL		
REVENUES				
Local sources:				
Interest earnings	\$ 4	\$ 8,404	\$ -	\$ 8,408
TOTAL REVENUES	4	8,404	-	8,408
EXPENDITURES				
Current:				
Instruction:				
Regular programs	-	3,896	-	3,896
Support services:				
Business services	-	40	-	40
Plant services	157	279,916	67	280,140
Capital outlay	90,400	68,679	-	159,079
TOTAL EXPENDITURES	90,557	352,531	67	443,155
Net Change in Fund Balances	(90,553)	(344,127)	(67)	(434,747)
FUND BALANCES - BEGINNING	7,742	1,146,748	-	1,154,490
FUND BALANCES - ENDING	\$ (82,811)	\$ 802,621	\$ (67)	\$ 719,743

Richland Parish School Board

Exhibit 10

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2021**

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 \$600 per month, and the president receives \$700 per month for performing the duties of their office.

Kevin Eppinette, President	\$7,800
Eugene Young, Jr., Vice President	7,200
William Calvert	7,200
Joe Chapman	7,200
Moses Wilkins	6,000
Dr. Georgia Ineichen	7,200
Marie Lewis	7,200
Chris Pruitt	7,200
James Hough	<u>7,200</u>
 TOTAL	 <u>\$64,200</u>

Richland Parish School Board

Exhibit 11

**Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2021**

Agency Head Name: Sheldon Jones, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$156,483
Benefits-insurance	7,555
Benefits-retirement	40,373
Benefits-medicare	2,220
Dues	160
Per diem	82
Reimbursements	6
Conference travel	3,696

Richland Parish School Board

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SINGLE AUDIT INFORMATION



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Marge Williamson, CPA
Jennie Henry, CPA, CFE

In-Charges: Crystal Patterson, CPA
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
Richland Parish School Board
Rayville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish School Board as of and for the year ended June 30, 2021, 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 August 12, 2022.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-002 and 2021-003 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2021-002 and 2021-003.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit are described in the accompanying corrective action plan for current year findings and questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

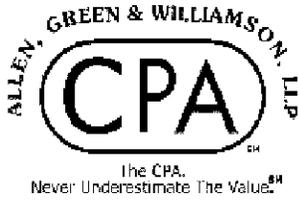
Purpose of this Report

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

Monroe, Louisiana
August 12, 2022



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

Independent Auditor's Report

Board Members
Richland Parish School Board
Rayville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Richland Parish School Board's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-004 that we consider to be significant deficiencies.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. 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
August 12, 2022

Richland Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass-Through Grantor No.	Expenditures
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
Child Nutrition Cluster:			
Cash Assistance:			
Summer Food Program	10.559	N/A	\$ 2,545,567
Non-Cash Assistance:			
National School Lunch Program	10.555	N/A	<u>138,204</u>
Total Child Nutrition Cluster			\$ 2,683,771
Fresh Fruit and Vegetable Program	10.582	N/A	<u>186,538</u>
Total United States Department of Agriculture			2,870,309
United States Department of Education			
Passed Through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	84.010A	28-21-T1-42 28-21-DSS-42 28-21-RD48-42	2,941,049
Special Education Cluster:			
Grants to States (IDEA Part B)	84.027A	28-21-B1-42	\$ 797,082
Preschool Grants	84.173A	28-21-P1-42	<u>33,313</u>
Total Special Education Cluster			830,395
Carl D. Perkins Career and Technical Education	84.048A	28-21-02-42	39,337
Title IV - Student Support and Academic Enrichment Program	84.424A	28-21-71-42	154,685
Title II - Supporting Effective Instruction State Grants	84.367A	28-21-50-42	134,300
Title V - Rural Education Achievement Program	84.358B	28-21-RLIS-42	41,417
Teacher and School Leader Incentive Grants (TIF)	84.374A	28-21-TP-42	\$ 190,274
Teacher and School Leader Incentive Grants (Formula Transition)	84.374	28-21-BPT7-42	<u>87,570</u>
COVID-19 Education Stabilization (GEERF)	84.425C	28-20-GERF-42	\$ 237,616
COVID-19 Education Stabilization	84.425D	28-20-ESRF-42	832,469
COVID-19 Education Stabilization	84.425D	28-20-ESRI-42	85,923
COVID-19 Education Stabilization	84.425D	28-21-ES2F-42	941,020
COVID-19 Education Stabilization	84.425U	28-21-ESEB-42	<u>337,548</u>
Total United States Department of Education			6,853,603
United States Department of Health and Human Services			
Passed Through the Louisiana Department of Education:			
Temporary Assistance to Needy Families Cluster			
Jobs for Americas Graduates	93.558	28-21-JS-42	243,045
United States Department of Defense			
Direct Programs:			
Department of the Army			
ROTC	12.UKN	LA21126	<u>57,485</u>
TOTAL FEDERAL AWARDS			<u>\$ 10,024,442</u>

The accompanying notes are an integral part of this schedule.

Richland Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

NOTE 1 - BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Richland Parish School Board under programs of the federal government for the year ended June 30, 2021. The Richland 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 Richland 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:

	Federal Sources
Major:	
General	\$ 111,302
Education Stabilization	2,434,576
Nonmajor Special Revenue:	
School Food Service	2,870,309
Title I	2,941,049
Special Education	776,578
Title II & IV	288,985
Vocational/JAG Grants	282,382
Teacher Incentive	277,844
Miscellaneous Funds	41,417
Total	\$ 10,024,442

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.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

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: 2021-001 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. The financial close process should ensure that all balance sheet accounts are reconciled in a timely to manner to ensure that account balances are valid, complete and accurate.

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

Bank Reconciliations:

The payroll account reconciliation for June 2021 was not reconciled until June 2022. Numerous entries were made at that time by management to record deposits and payments that were on the bank statement that were not recorded in the general ledger. There are two electronic payments noted as outstanding on the bank reconciliation that cleared the bank in May 2021: \$79,538.61 to the IRS and \$5,290.03 to the La. Department of Revenue. It appears that payments of taxes and other payroll liabilities are not always posted to the general ledger or posted in a different month than the payment was made which makes reconciling the payroll account very difficult.

The Sinking Fund District #3 bank reconciliation included an outstanding check for \$745,567 that was dated in February 2021 but was a voided check that was not voided in the system. This caused cash to be understated by this amount and principal and interest expenditures to be overstated. The Construction District #3 and Construction District #1 reconciliations included \$90,534 and \$95,114, respectively, of checks written in July 2021 as outstanding as of June 30, 2021. This error understated cash and understated accounts payable.

Payroll withholding accounts:

Payments for Federal, Social Security, and Medicare liabilities are not coded correctly causing these accounts to be over/under stated. The Social Security account has a debit balance of \$203,325 because payments are coded to the wrong account. Payments to Louisiana School Employees Retirement System (LSERS) totaling \$180,864 were posted to the Teacher's Retirement System (TRSL) payroll liability account. These errors make it impossible for management to review these accounts to ensure that liability balances are correct.

Vendor disbursements:

A sample of 24 vendor checks was selected for testing the Education Stabilization grant. Five of these checks which were for the purchase of technology equipment did not have documentation with the invoice that the items were received. These checks totaled over \$200,000. The Federal Programs Director provided various sources of information to verify that the items were received. Also, a check for \$25,074.80 was written in July 2020 for the purchase of Chromebooks that were on back order. These Chromebooks were never received. The vendor refunded the money in March 2021.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

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:

Schedule of expenditures of federal awards:

The schedule of expenditures of federal awards received from management did not include \$210,208 of federal awards. These awards were recorded as federal revenue in the financial statements but not included on the schedule of expenditures of federal awards.

Context: The exceptions noted above were identified when performing testing across various account balances and review of the financial statements and appears to be systemic.

Possible asserted effect (cause and effect):

Cause: Bank accounts are not reconciled timely. Timely reconciliations would identify payments that are not posted, etc. Payroll liability accounts cannot be reviewed for reasonableness because some payments are not posted. Receipt of goods is not verified before checks are written in some instances.

Effect: Accounting records are not up to date which hinders review of account balances and timeliness of financial reporting.

Recommendation to prevent future occurrences: The business office should complete the bank reconciliations as soon as possible. Procedures should be established for a monthly close out which includes a review of payroll liabilities. Receipt of goods documentation should be included with the invoice to ensure that items have been received before payment is made. The schedule of expenditures of federal awards should agree with the federal revenue recorded in the general ledger.

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: The Richland Parish School Board has reorganized an existing classified staff position to a certified position in order to allow us to hire another degreed professional who can assist the Business Manager in performing reconciliations and reviewing general ledger information in a timely manner.

Reference # and title: 2021-002 Bond Continuing Disclosures

Entity-wide or program/department specific: This finding pertains to bond issuances for District #4 2016 and District #1 2021.

Criteria or specific requirement: Louisiana Revised Statute (R.S.) 39:1438 requires issuers of municipal securities to comply with continuing disclosure rules of the Securities and Exchange Commission (SEC). Municipal securities are defined as any securities issued by a public entity (the state of Louisiana, its agencies, departments, boards, commissions, parishes, municipalities, school boards, special districts, special authorities, and any other political subdivision or other entity created by the foregoing) that are subject to continuing disclosure under the SEC Rule.

Condition: District #4 Official Statement includes continuing disclosure requirements that financial information be filed with Electronic Municipal Market Access (EMMA) no later than six months after the fiscal year end. District #1 Official Statement includes continuing disclosure requirements that the June 30, 2020 audit should be filed with EMMA. Neither of these filings were done.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

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:

Context: These are the only two bond issuances with continuing disclosure requirements.

Possible asserted effect (cause and effect):

Cause: Management was relying on the bond attorney to do the filings and did not check to see that it was done.

Effect: The School Board may not be in compliance with continuing disclosure requirements.

Recommendation to prevent future occurrences: Management should establish procedures to file the required information before December 31st of each year.

Origination date and prior year reference (if applicable): This finding is first reported in the current fiscal year end.

View of Responsible Official: The Richland Parish School Board will contact our new bond counsel about this matter and take steps to ensure that we are in compliance with EMMA disclosure requirements in the future.

Reference # and title: **2021-003 Late Submission of the Audit Report to the Legislative Auditor**

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

Criteria or specific requirement: Louisiana Revised Statue (R.S.) 24:513 (audit law) establishes the due date of audit reports as no later than six months after the fiscal year end. An audit that is submitted past the statutory due date must include a finding for the non-compliance with the audit law except when an emergency extension request has been approved.

Condition: The auditor informed management that the report could not be filed by December 31, 2021 due to the backlog of work from disruptions because of the pandemic and staff shortages. Management agreed to request an extension. An emergency extension through March 31, 2022 was requested from the Legislative Auditor and granted due to COVID 19 disruptions. The field work for the audit was scheduled for January 24, 2022. The trial balance was not received so the field work was rescheduled for March 7, 2022. Seven auditors were on site that week to complete the field work with the intention of filing the report by March 31, 2022. Several items requested by the auditors were not received during that week with the most critical one being the payroll bank reconciliation. On June 15, 2022, correspondence was sent to the Business Manager and Superintendent requesting the information needed to complete the audit. The payroll bank reconciliation was received on June 22, 2022, and on June 27, 2022, additional journal entries were received to make corrections identified in the bank reconciliation process.

Possible asserted effect (cause and effect):

Cause: The audit firm had a backlog of work because of the shelter in place in the 2020 fiscal year. This backlog along with a shortage of personnel was the reason for requesting an extension from management.

The school board employee responsible for bank reconciliations was out for extended sick leave, short-term disability, and long-term disability for an extended period; therefore, this position could not be filled for over a year. Another person was hired to fill this position but only stayed for three months.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

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:

Effect: The audit report was filed after the deadline.

Recommendation to prevent future occurrences: Management should make every effort to get the bank reconciliations and accounting records up to date.

Origination date and prior year reference (if applicable): This finding is first reported in the current fiscal year end. The prior year audit report was filed after the deadline, but the School Board had an approved emergency extension; therefore, no finding was required.

View of Responsible Official: The Richland Parish School Board has hired a certified staff member to assist the Business Manager in performing reconciliations and preparing audit information. We will work closely with our auditors to ensure that we meet all filing deadlines.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Part III-Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and title: 2021-004 **Internal Controls Over Allowable Costs and Cost Principles**

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the Name of the Pass-Through Entity: This finding relates to COVID 19 Education Stabilization, CFDA #84.425D, for Federal Award Year 2020, received from Federal Agency: U.S. Department of Education, passed through the Louisiana Department of Education.

Criteria or specific requirement: Payments to vendors should be supported by proper documentation including evidence that goods are received before payment is made.

Condition found: A sample of 24 vendor checks was selected for testing the Education Stabilization grant. Five of these checks, which were for the purchase of technology equipment such as computers, did not have documentation with the invoice that the items were received. These checks totaled over \$200,000. The Federal Programs Director provided various sources of information to verify that the items were received. Also, a check for \$25,074.80 was written in July 2020 for the purchase of Chromebooks that were on back order. These Chromebooks were never received. The vendor refunded the money in March 2021.

Context: A total of 41 haphazardly selected payroll and vendor disbursements were tested. Vendor disbursements made up 24 checks in the sample.

Possible asserted effect (cause and effect):

Cause: Documentation for receipt of goods is not always attached to the invoice and purchase order. The central receiving position is responsible for matching the purchase order with the items received. The process was to forward these receiving reports to accounts payable before the vendor was paid. The receiving documentation was not attached to the vendor disbursements noted above.

Effect: Evidence of receipt of goods was obtained from other sources. One vendor was paid for items that were never received.

Recommendation to prevent future occurrences: The School Board should establish quality control procedures to ensure proper documentation is obtained to support each disbursement. This should include evidence that goods were received. Payment should not be made until all documentation is obtained.

Origination date and prior year reference (if applicable): This finding is first reported in the current fiscal year end.

View of Responsible Official: The Richland Parish School Board has performed staff in-services to address this matter. Staff members were reminded of their responsibilities and how their jobs affect others. We have also hired a new purchasing secretary who is utilizing the receiving features in our software package.

OFFICE OF
RICHLAND PARISH SCHOOL BOARD
SHELDON JONES, Superintendent
P. O. BOX 599
RAYVILLE, LOUISIANA 71269

Marie Lewis
District 6
President

James Hough
District 4
Vice President

Chris Pruitt
District 9

Eugene Young, Jr.
District 2

Moses Wilkins
District 3

Kevin Eppinette
District 8

Dr. Georgia Ineichen
District 5

Joe Chapman
District 7

Billy Calvert
District 1

Status of Prior Year Findings and Questioned Costs for Year Ended June 30, 2021

Reference # and title: 2020-001 Internal Controls over Financial Reporting

Condition: When performing substantive audit work on the School Board's financial records, multiple adjustments were made to the trial balances originally provided for the audit. The more significant financial reporting issues noted are summarized as follows:

- Master and payroll bank reconciliations total of checks on the reconciliation did not match the total of checks and electronic payments that cleared the bank. Several items that cleared the bank in May were recorded on the general ledger in June.
- A transfer from the master bank account to the school food service bank account of \$172,752 was not recorded on the general ledger for the general fund. Federal revenue in the School Food Service fund was overstated by this amount.
- The Sinking District fund 40 bank reconciliation included an outstanding check for \$51,500 that was dated in February 2020 but was actually a voided check.
- The Sinking District #3 bank reconciliation included an outstanding check for \$720,807 that was dated in February 2020 but was actually a voided check.
- Payments for Federal, Social Security, and Medicare liabilities are not coded correctly causing these accounts to be over/under stated. Several payroll liability accounts had debit balances because the payments were posted to the wrong account.
- A sample of checks written after year end was tested for recording in the proper fiscal year. From this sample 3 checks totaling \$250,013 were actually accounts payable but were not recorded as accounts payable.
- Ad valorem tax revenue was understated by \$153,078 because the pension withheld by the Sheriff was not recorded.
- Federal revenue of \$169,714 was miscoded as state revenue.
- Sales tax revenue was understated by \$75,064 because the accounts receivable was not recorded correctly.
- The schedule of expenditures of federal awards provided by the business office did not include the Striving Readers grant and reported LA4 as federal when that grant is a state grant.

Corrective action planned: See response to current year finding 2021-001.

OFFICE OF
RICHLAND PARISH SCHOOL BOARD
SHELDON JONES, Superintendent
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District 9

Marie Lewis
District 6

Sharon Jones
District 3

James Hough
District 4

Dr. Georgia Ineichen
District 5

Scott McKay
District 7

Billy Calvert
District 1

**Corrective Action Plan for Current Year Findings and Questioned Costs
For the Year Ended June 30, 2021**

Reference # and title: 2021-001 Internal Controls over Financial Reporting

Corrective Action Planned:

The Richland Parish School Board has reorganized an existing classified staff position to a certified position in order to allow us to hire another degreed professional who can assist the Business Manager in performing reconciliations and reviewing general ledger information in a timely manner.

Anticipated Completion Date: August 3, 2022

Person responsible for corrective action plan:

Business Manager Telephone: (318) 728-5964
P.O. Box 599 Fax: (318) 728-3091
Rayville, LA 71269

Reference # and title: 2021-002 Bond Continuing Disclosures

Corrective Action Planned:

The Richland Parish School Board will contact our new bond counsel about this matter and take steps to ensure that we are in compliance with EMMA disclosure requirements in the future.

Anticipated Completion Date: August 12, 2022

Person responsible for corrective action plan:

Business Manager Telephone: (318) 728-5964
P.O. Box 599 Fax: (318) 728-3091
Rayville, LA 71269

Reference # and title: 2021-003 Late Submission of the Audit Report to the Legislative Auditor

Corrective Action Planned:

The Richland Parish School Board has hired a certified staff member to assist the Business Manager in performing reconciliations and preparing audit information. We will work closely with our auditors to ensure that we meet all filing deadlines.

Anticipated Completion Date: August 3, 2022

Person responsible for corrective action plan:

Business Manager Telephone: (318) 728-5964
P.O. Box 599 Fax: (318) 728-3091
Rayville, LA 71269

Reference # and title: 2021-004 Internal Controls Over Allowable Costs and Cost Principles

Corrective Action Planned:

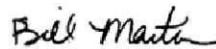
The Richland Parish School Board has performed staff inservices to address this matter. Staff members were reminded of their responsibilities and how their jobs affect others. We have also hired a new purchasing secretary who is utilizing the receiving features in our software package.

Anticipated Completion Date: January 3, 2022

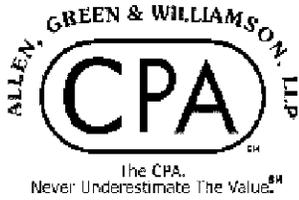
Person responsible for corrective action plan:

Business Manager Telephone: (318) 728-5964
P.O. Box 599 Fax: (318) 728-3091
Rayville, LA 71269

Respectfully,



Bill Martin
Business Manager
Richland Parish School Board



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075
Monroe, LA 71211-6075

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Monroe, LA 71201

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Principal: Cindy Thomason, CPA

Audit Managers: Amy Tynes, CPA, CFE
Marge Williamson, CPA
Jennie Henry, CPA, CFE

In-Charges: Crystal Patterson, CPA
Sandra Harper, CPA

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

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

Board Members
Richland Parish School Board
Rayville, 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, 2021. 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 agree to and acknowledge that the procedures performed are appropriate to meet the intended purpose of assisting users to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) in compliance with Louisiana Revised Statute 24:514(I).

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.

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

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

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

Comment: No exceptions were noted 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: One exception was noted where the roll book had one more teacher than the schedule.

Management's Response: We will work with our school personnel and remind them of the importance of completely and accurately reporting their staffing and attendance records.

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

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: Seventeen exceptions noted where the base salary amount does not agree to personnel file and eight exceptions where the extra compensation amount does not agree to the personnel file.

Management's Response: There appears to be a disconnect in the interface between our payroll and accounting software and our PEP reporting software. We have reviewed the matter and cannot determine at this time which group or groups of employees are causing the disconnect. We will continue to work with our software providers in order to correct this issue.

We were engaged by Richland 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 Richland 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
August 12, 2022

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2021**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 7,833,068	
Other Instructional Staff Activities	826,470	
Instructional Staff Employee Benefits	4,956,190	
Purchased Professional and Technical Services	105,260	
Instructional Materials and Supplies	268,002	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	<u> </u>	\$ 13,988,990
Other Instructional Activities		180,054
Pupil Support Activities	1,390,165	
Less: Equipment for Pupil Support Activities	<u> </u>	
Net Pupil Support Activities		1,390,165
Instructional Staff Services	384,042	
Less: Equipment for Instructional Staff Services	<u> </u>	
Net Instructional Staff Services		<u>384,042</u>
School Administration	2,997,594	
Less: Equipment for School Administration	<u> </u>	
Net School Administration		<u>2,997,594</u>
Total General Fund Instructional Expenditures (Total of Column B)		<u><u>\$ 18,940,845</u></u>
Total General Fund Equipment Expenditures		<u><u> </u></u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ 2,032,099
Renewable Ad Valorem Tax		2,004,856
Debt Service Ad Valorem Tax		-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		178,942
Sales and Use Taxes		<u>7,173,028</u>
Total Local Taxation Revenue		<u><u>\$ 11,388,925</u></u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ 41,341
Earnings from Other Real Property		-
Total Local Earnings on Investment in Real Property		<u><u>\$ 41,341</u></u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$ 91,101
Revenue Sharing - Other Taxes		89,884
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		<u><u>\$ 180,985</u></u>
Nonpublic Textbook Revenue		<u><u>\$ 11,307</u></u>
Nonpublic Transportation Revenue		<u><u>\$ -</u></u>

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Class Size Characteristics
As of October 1, 2021

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	21.6%	251	10.8%	125	2.1%	24	1.5%	18
Elementary Activity Classes	6.6%	77	1.5%	17	0.6%	7	0.5%	6
Middle/Jr. High	4.1%	48	3.2%	37	4.0%	46	0.5%	6
Middle/Jr. High Activity Classes	1.6%	19	1.0%	12	0.4%	5	0.4%	5
High	25.9%	301	6.3%	73	1.9%	22	0.0%	0
High Activity Classes	4.0%	46	0.9%	10	0.6%	7	0.0%	0
Combination	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	0.0%	0	0.0%	0	0.0%	0	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.