



Morehouse Parish School Board

FINANCIAL STATEMENTS

June 30, 2023

Morehouse Parish School Board
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INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Morehouse Parish School Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Morehouse Parish School Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Morehouse Parish School Board, as of June 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Morehouse Parish School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Morehouse Parish School Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Morehouse Parish School Board's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Morehouse Parish School Board's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the Schedule of Compensation Paid to Board Members, and the Schedule of Compensation, Benefits and Other Payments to Agency Head and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Compensation Paid to Board Members, the Schedule of Compensation, Benefits and Other Payments to Agency Head, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2025 on our consideration of the Morehouse Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Morehouse Parish School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Morehouse Parish School Board's internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana

February 21, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

Morehouse Parish School Board Management's Discussion and Analysis

We offer readers of the Morehouse Parish School Board's financial statements this narrative overview and analysis of the financial activities of the Morehouse Parish School Board for the fiscal year ended June 30, 2023. It is designed to assist the reader in focusing on significant financial issues and identifying changes in the School Board's financial position.

Financial Highlights

Government-wide financial highlights for the 2022-2023 fiscal year include the following:

- Statement of Net Position – The liabilities of the Morehouse Parish School Board exceeded its assets at the close of the most recent fiscal year by (\$63.6 million) (net deficit).
- Capital Assets – Total capital assets (net of depreciation) were \$18.0 million or 53.7% of the total assets. Morehouse Parish School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Obligations – The School Board's total obligations increased by approximately \$22.2 million.
- Statement of Activities – The total net position of the Morehouse Parish School Board increased by approximately \$192 thousand for the year ended June 30, 2023.

Morehouse Parish School Board ended the 2022-2023 fiscal year with a fund balance in the General Fund of approximately \$757,000.

- Governmental Funds Balance Sheet – As of the close of the 2022-2023 fiscal year, Morehouse Parish School Board's governmental funds reported combined ending fund balance of \$12.3 million, a decrease of approximately \$1.5 million in comparison with the prior fiscal year adjusted fund balance. This fund balance is comprised of approximately (1) \$757,000 in General Fund, (2) \$385,000 in the school food service fund, (3) approximately \$937,000 in the debt service fund, (4) \$5.4 million in the sales tax fund, and (5) \$1.4 million in the remaining special revenue and capital projects funds.
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – Total revenues for the year ended June 30, 2023 for the governmental funds of Morehouse Parish School Board amounted to approximately \$62.2 million. Approximately 94% of this amount is received from four major revenue sources: (1) \$22.5 million from Minimum Foundation Program, (2) \$21.7 million from federal grants, (2) \$6.8 million from local ad valorem taxes and (3) \$7.7 million from local sales and use taxes.

Morehouse Parish School Board Management's Discussion and Analysis

Overview of the Financial Statements

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

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

- The Statement of Net Position presents information on all of the School Board's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Morehouse Parish School Board is improving or deteriorating.
- The Statement of Activities presents information showing how the School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Morehouse Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of Morehouse Parish School Board can be divided into two categories: governmental funds and fiduciary funds.

- *Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating Morehouse Parish School Board near-term financing requirements.

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

Morehouse Parish School Board Management's Discussion and Analysis

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

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

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

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

Financial Analysis of Government-wide Activities

The largest portion of Morehouse Parish School Board's total assets, totaling approximately \$18.0 million, net of depreciation, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment). The net investment in capital assets is less any related debt used to acquire those assets that are still outstanding of \$9.0 million for a net investment in capital assets of \$9.0 million. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although Morehouse Parish School Board's investment in its capital assets net position is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Morehouse Parish School Board Management's Discussion and Analysis

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

<i>June 30,</i>	2023		2022		Change
Current and other assets	\$	15,516,006	\$	16,053,711	\$ (537,705)
Capital assets		17,980,297		13,677,118	4,303,179
Total assets		33,496,303		29,730,829	3,765,474
Deferred outflows of resources		22,514,583		17,728,184	4,786,399
Current and other liabilities		7,711,666		3,406,161	4,305,505
Long-term liabilities		100,353,422		78,828,662	21,524,760
Total liabilities		108,065,088		82,234,823	25,830,265
Deferred inflows of resources		11,591,030		29,061,865	(17,470,835)
Net position					
Net investment in capital assets		8,990,884		3,373,899	5,616,985
Restricted		11,427,602		10,571,352	856,250
Unrestricted		(84,063,718)		(77,782,926)	(6,280,792)
Total net position (deficit)	\$	(63,645,232)	\$	(63,837,675)	\$ 192,443

Restricted net position of \$11.4 million is reported separately to show the legal constraints for the payment of instructional costs, food services and outstanding long-term debt obligations and future construction projects and to limit the School Board from using these funds for day-to-day operations. The food service fund accounts for \$281,000 thousand of the total, instructional costs accounts for \$6.3 million of the total and the debt service fund accounting for \$4.3 million. The remaining balance of \$569,000 money restricted for capital project, and student activity funds.

Morehouse Parish School Board Management's Discussion and Analysis

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

<i>For the years ended June 30,</i>	Governmental Activities		
	2023	2022	Change
Revenues			
Program revenues			
Charges for services	\$ 16,868	\$ 4,608	\$ 12,260
Operating and capital grants and contributions	22,190,944	14,535,173	7,655,771
General revenues			
Ad valorem taxes	6,852,057	6,633,211	218,846
Sales taxes	9,123,417	7,725,435	1,397,982
Minimum foundation program	22,481,276	23,813,280	(1,332,004)
Other general revenues	1,711,130	1,616,660	94,470
Total revenues	62,375,692	54,328,367	8,047,325
Expenses			
Instruction			
Regular programs	12,460,893	8,782,207	3,678,686
Special programs	3,912,417	3,108,113	804,304
Vocational programs	874,088	596,130	-
Other instructional programs	12,092,072	11,884,220	-
Special programs	2,867,136	1,997,915	-
Adult/continuing education	1,266	1,266	-
Support services			
Pupil support services	2,132,934	1,635,374	497,560
Instructional staff support	4,515,793	2,594,464	1,921,329
General administration	1,255,257	940,603	314,654
School administration	2,057,730	1,506,246	551,484
Business services	1,650,351	885,652	764,699
Plant services	9,220,746	4,687,802	4,532,944
Student transportation services	3,088,907	2,399,161	689,746
Central services	1,030,204	754,494	275,710
Other support services	1,771	2,131	(360)
School food services	4,735,806	2,837,448	1,898,358
Debt service - interest on long-term obligations	285,878	293,854	(7,976)
Total expenses	62,183,249	44,907,080	17,276,169
Increase (decrease) in net position (deficit)	192,443	9,421,287	(9,228,844)
Net position (deficit) - beginning, as originally stated	(63,837,675)	(73,770,628)	9,932,953
Prior period adjustment	-	511,666	(511,666)
Net position (deficit) - beginning, as restated	(63,837,675)	(73,258,962)	9,421,287
Net position (deficit) - ending	\$ (63,645,232)	\$ (63,837,675)	\$ 192,443

Morehouse Parish School Board Management's Discussion and Analysis

Governmental Activities

Expenses are classified by functions/programs. Instructional services for fiscal 2023 totaled \$32,207,872, compared to a total of \$26,369,851 for 2022. The remaining functions are considered support services and relate to those functions that support the instructional services provided, such as pupil support, instructional staff support, and administration, transportation, and plant services. Support services for fiscal 2023 totaled \$24,953,693 compared to \$15,405,927 for 2022.

The remaining expenditures of \$5,021,684 consist of \$4,735,806 for food and service operations and \$285,878 for interest expense on long-term obligations.

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

<i>June 30,</i>	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
Regular programs	\$ 12,460,893	\$ 8,782,207	\$ 9,252,672	\$ 5,775,679
Special programs	3,912,417	3,108,113	3,369,252	2,493,740
Other instructional programs	15,834,562	14,479,531	11,707,581	11,452,483
Plant services	9,220,746	4,687,802	2,449,072	3,474,153
Student transportation services	3,088,907	2,399,161	2,685,401	1,824,658
Food services	4,735,806	2,837,448	1,505,226	326,493
All others	12,929,918	8,612,818	8,720,355	5,020,093
Totals	\$ 62,183,249	\$ 44,907,080	\$ 39,689,559	\$ 30,367,299

The related program revenues for fiscal year 2023 directly related to these expenses totaled \$22,493,691. The balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- **Minimum Foundation Program (MFP)** – MFP is the funding formula for the 69 school districts in the state of Louisiana. The School Board was allocated \$33,620,176 in MFP funds in fiscal year FY23; with \$9,806,896 passed through to the district's Type 3 Charter, Beekman Alumni and Friends, Inc. The net amount received by the School Board was \$22,481,276, which is 36% of the total revenues received by the School Board.
- **Sales Tax revenues** – Sales tax revenues are the third largest source of revenue for the School Board, generating \$9,123,417 in revenue, or 14.7% of total revenue
- **Ad Valorem tax revenues** – Ad valorem, or property tax revenues, the fourth largest source of revenues, accounts for \$6,852,594 in revenue, or 11% of total revenues.

Morehouse Parish School Board Management's Discussion and Analysis

Financial Analysis of Governmental Funds

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

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

- As of the close of the current fiscal year, Morehouse Parish School Board's governmental funds reported a combined ending fund balance of \$12,287,809; a decrease of \$1,471,962 of the prior year balance of \$13,759,771 in comparison with the prior fiscal year.
- The General Fund is the chief operating fund of Morehouse Parish School Board. At the end of the current fiscal year, the fund balance of the General Fund is \$756,972.
- The Special Revenue Funds, including nonmajor special revenue funds, have a total fund balance of \$10,594,014 of which \$103,235 is nonspendable, \$5,600,888 is restricted for instructional costs, \$281,357 is restricted for food services, \$659,244 is restricted for construction and maintenance costs, \$276,783 is restricted for student activity funds, and \$3,380,200 is restricted for debt service.
- The Debt Service Funds have a total fund balance of \$936,823 all of which is restricted for the payment of debt service.
- The Capital Projects Funds have a fund balance of \$292,307, all of which is restricted for construction projects.

General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S 39:1301 et seq), Morehouse Parish School Board must adopt a budget for the General Fund and all Special Revenue funds prior to September 15th. The original budget for the School Board was adopted on September 15, 2022.

The original General Fund Budget projected an ending fund balance of \$3,138,861, with the amended budget projecting to end the year with a positive balance of \$2,992,627. The actual ending balance for the General Fund came in at \$756,972.

Morehouse Parish School Board Management's Discussion and Analysis

Capital Assets and Debt Administration

Capital Assets: Morehouse Parish School Board's capital assets as of June 30, 2023 amounts to \$17,980,297 (net of accumulated depreciation). This includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

<i>June 30,</i>	2023		2022	
Land	\$	319,013	\$	319,013
Construction in progress		1,150,596		-
Buildings and improvements		11,599,084		10,445,121
Furniture and equipment		4,911,604		2,912,984
	\$	17,980,297	\$	13,677,118

Long-Term Debt: At the end of the current fiscal year, Morehouse Parish School Board had total debt outstanding of \$12.3 million. Of the amount, \$7.2 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2023 and 2022.

<i>June 30,</i>	2023		2022	
General Obligation Bonds				
Series 2011, refunding	\$	3,030,000	\$	3,575,000
Series 2016, refunding		2,370,000		2,590,000
Series 2021, refunding		1,840,000		2,125,000
Limited Tax Bonds				
Series 2016		900,000		955,000
Revenue Bonds				
Series 2023		3,380,200		-
Financed Purchases				
Buses		790,683		992,962
Equipment Lease		-		-
Total outstanding debt	\$	12,310,883	\$	10,237,962

Morehouse Parish School Board Management's Discussion and Analysis

Future Operations

The School Board adopted a General Fund budget for 2023-2024 with a projected operating surplus of \$36,042. For the upcoming fiscal year, listed below are several factors considered for 2023-2024 operations and budget preparations.

- The 2023-2024 Minimum Foundation Program funding is projected to decrease due to student decline.
- Property tax collections for the 2023 calendar year are anticipated to be consistent with the prior year.
- Teachers Retirement System of Louisiana employer contribution rate decreased by 0.7% for FY2024.
- Louisiana School Employees' Retirement System employer contribution rate is anticipated to be consistent with the prior year.
- Office of Group Benefits released rate increases that are effective January 1, 2023.

Contacting the School Board's Financial Management

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

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Morehouse Parish School Board
Statement of Net Position

	Primary Government	Component Unit
	Governmental Activities	Beekman Alumni and Friends, Inc.
<i>June 30, 2023</i>		
Assets		
Cash and cash equivalents	\$ 5,158,567	\$ 3,793,396
Restricted cash	-	283,454
Investments	79,846	-
Receivables		
Ad valorem taxes	9,606	-
Sales and use taxes	702,618	-
Federal grants	9,309,988	1,341,459
State grants	88,802	-
Other	7,587	-
Inventories	158,992	-
Other assets	-	31,245
Capital assets, net	17,980,297	8,743,892
Total assets	33,496,303	14,193,446
Deferred outflows of resources		
Deferred outflows related to bonds	51,517	-
Deferred outflows related to pensions	10,918,360	-
Deferred outflows related to OPEB	11,544,706	-
Total deferred outflows of resources	22,514,583	-
Liabilities		
Accounts payable	1,226,649	490,192
Salaries and wages payable	1,800,146	849,184
Deferred revenue	201,401	-
Interest payable	77,929	72,296
Long-term liabilities		
Due within one year	4,405,541	59,326
Due in more than one year	100,353,422	343,098
Total liabilities	108,065,088	1,814,096
Deferred inflows of resources		
Deferred inflows related to pensions	1,783,372	-
Deferred inflows related to OPEB	9,807,658	-
Total deferred inflows of resources	11,591,030	-
Net position		
Net investment in capital assets	8,990,884	8,743,892
Restricted for		
Instructional costs	5,600,888	-
Capital projects	292,307	-
Debt service	4,317,023	-
School food service	281,357	-
Instructional and maintenance costs	659,244	-
Student activity funds	276,783	275,954
Unrestricted	(84,063,718)	3,359,504
Total net position (deficit)	\$ (63,645,232)	\$ 12,379,350

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

Morehouse Parish School Board Statement of Activities

<i>For the year ended June 30, 2023</i>	Primary Government PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION	Component Unit
EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS			
Functions/programs					
Governmental Activities					
Instructional services					
Regular programs	\$ 12,460,893	\$ -	\$ 3,208,221	\$ (9,252,672)	
Special education programs	3,912,417	-	543,165	(3,369,252)	
Vocational programs	874,088	-	317,009	(557,079)	
Other instructional programs	12,092,072	-	1,007,651	(11,084,421)	
Special programs	2,867,136	-	2,802,321	(64,815)	
Adult/continuing education	1,266	-	-	(1,266)	
Support services					
Pupil support services	2,132,934	-	263,924	(1,869,010)	
Instructional staff support services	4,515,793	-	3,132,808	(1,382,985)	
General administration	1,255,257	-	24,437	(1,230,820)	
School administration	2,057,730	-	93,752	(1,963,978)	
Business services	1,650,351	-	115,419	(1,534,932)	
Plant services	9,220,746	-	6,771,674	(2,449,072)	
Student transportation services	3,088,907	-	403,506	(2,685,401)	
Central services	1,030,204	-	293,345	(736,859)	
Other support services	1,771	-	-	(1,771)	
Noninstructional services					
Food service operations	4,735,806	16,868	3,213,712	(1,505,226)	
Debt service					
Interest and fiscal charges on long-term obligations	285,878	-	-	(285,878)	
Total Primary Government	\$ 62,183,249	\$ 16,868	\$ 22,190,944	\$ (39,975,437)	
Component Unit					
Beekman Alumni and Friends, Inc.	\$ 11,082,892	\$ 100	\$ 4,729,628		\$ (6,353,164)
General revenues					
Taxes					
Ad valorem taxes levied for					
General purposes				5,287,639	-
Debt service purposes				1,564,418	-
Sales taxes levied for general purposes				9,123,417	-
Grants and contributions not restricted to specific programs					
Minimum foundation program				22,481,276	10,028,455
State revenue sharing				175,996	-
Interest and investment earnings				112,638	-
Student activity funds				546,573	4,053
Other				875,923	26,904
Total general revenues				40,167,880	10,059,412
Changes in net position				192,443	3,706,248
Net position (deficit) at beginning of year				(63,837,675)	8,673,102
Net position (deficit) at end of year				\$ (63,645,232)	\$ 12,379,350

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

FUND FINANCIAL STATEMENTS

**Morehouse Parish School Board
Balance Sheet – Governmental Funds**

	MAJOR FUNDS						AGGREGATE REMAINING FUNDS	NONMAJOR GOVERNMENTAL	TOTAL
	GENERAL FUND	SPECIAL REVENUE				DEBT SERVICE			
		TITLE I	SALES TAX	EDUCATION STABILIZATION FUND	SCHOOL FOOD SERVICE				
<i>June 30, 2023</i>									
Assets									
Cash and cash equivalents	\$ 1,332,289	\$ -	\$ 683,909	\$ -	\$ -	\$ 1,536,105	\$ 1,606,264	\$ 5,158,567	
Investments	79,846	-	-	-	-	-	-	79,846	
Accounts receivable	21,078	1,007,361	705,007	6,158,616	577,949	2,382	1,646,208	10,118,601	
Internal balances	3,424,099	31,296	4,460,623	3,380,200	-	-	84	11,296,302	
Inventory	55,757	-	-	-	103,235	-	-	158,992	
Total assets	<u>\$ 4,913,069</u>	<u>\$ 1,038,657</u>	<u>\$ 5,849,539</u>	<u>\$ 9,538,816</u>	<u>\$ 681,184</u>	<u>\$ 1,538,487</u>	<u>\$ 3,252,556</u>	<u>\$ 26,812,308</u>	
Liabilities and fund balances									
Liabilities									
Checks written in excess of cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Accounts payable	501,250	20,166	72,091	575,121	52,232	-	5,790	1,226,650	
Salaries and wages payable	1,060,777	104,407	346,109	91,642	113,974	-	83,237	1,800,146	
Internal balances	2,594,070	913,793	-	5,491,853	113,486	601,664	1,581,436	11,296,302	
Other liabilities	-	291	-	-	16,900	-	184,210	201,401	
Total liabilities	<u>4,156,097</u>	<u>1,038,657</u>	<u>418,200</u>	<u>6,158,616</u>	<u>296,592</u>	<u>601,664</u>	<u>1,854,673</u>	<u>14,524,499</u>	
Fund balances									
Nonspendable									
Inventory and other assets	55,757	-	-	-	103,235	-	-	158,992	
Restricted for									
Instructional costs	-	-	5,431,339	-	-	-	169,549	5,600,888	
Student activity funds	-	-	-	-	-	-	276,783	276,783	
Construction and maintenance costs	-	-	-	-	-	-	659,244	659,244	
Food services	-	-	-	-	281,357	-	-	281,357	
Debt service	-	-	-	3,380,200	-	936,823	-	4,317,023	
Capital projects	-	-	-	-	-	-	292,307	292,307	
Unassigned	701,215	-	-	-	-	-	-	701,215	
Total fund balances	<u>756,972</u>	<u>-</u>	<u>5,431,339</u>	<u>3,380,200</u>	<u>384,592</u>	<u>936,823</u>	<u>1,397,883</u>	<u>12,287,809</u>	
Total liabilities and fund balances	<u>\$ 4,913,069</u>	<u>\$ 1,038,657</u>	<u>\$ 5,849,539</u>	<u>\$ 9,538,816</u>	<u>\$ 681,184</u>	<u>\$ 1,538,487</u>	<u>\$ 3,252,556</u>	<u>\$ 26,812,308</u>	

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

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

June 30, 2023

Total fund balances - governmental funds \$ 12,287,809

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

Cost of capital assets	54,819,347	
Accumulated depreciation	<u>(36,839,050)</u>	17,980,297

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.

Long-term liabilities		
Compensated absences payable	(870,842)	
General obligation bonds payable	(7,240,000)	
Capital lease payable	(790,683)	
Sales tax bonds payable	(900,000)	
Short-term loan	(3,380,200)	
Other post employment benefits	(59,001,013)	
Bond premium	(58,730)	
Interest payable	(77,929)	
Net pension obligations	<u>(32,517,495)</u>	(104,836,892)

Deferred outflows of resources related to refunding	51,517	
Deferred outflows of resources related to pensions (from pension schedule)	10,918,360	
Deferred outflows of resources related to OPEB	<u>11,544,706</u>	22,514,583

Deferred inflows of resources related to pensions (from pension schedules)	(1,783,372)	
Deferred inflows of resources related to OPEB	<u>(9,807,658)</u>	(11,591,030)

Net Position (Deficit)		\$ (63,645,232)
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The accompanying notes are an integral part of the financial statements.

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

	MAJOR FUNDS						AGGREGATE REMAINING FUNDS NONMAJOR GOVERNMENTAL	TOTAL
	SPECIAL REVENUE							
	GENERAL FUND	TITLE I	SALES TAX	EDUCATION STABILIZATION FUND	SCHOOL FOOD SERVICE	DEBT SERVICE		
<i>For the year ended June 30, 2023</i>								
REVENUES								
Local sources								
Ad valorem taxes	\$ 3,035,782	\$ -	1,565,412	\$ -	\$ -	\$ 1,564,418	\$ 686,982	\$ 6,852,594
Sales and use taxes	-	-	9,123,417	-	-	-	-	9,123,417
Earnings on investments	58,173	-	31,699	-	-	12,703	10,063	112,638
Cash payments for meals	-	-	-	-	16,868	-	-	16,868
Student activity fund receipts	-	-	-	-	-	-	546,573	546,573
Other local revenue	754,298	-	-	-	-	-	-	754,298
State sources								
State equalization	22,445,827	-	-	-	35,449	-	-	22,481,276
Revenue sharing	157,959	-	-	-	-	-	-	157,959
Other unrestricted revenue	22,000	-	-	-	-	-	429,354	451,354
Other restricted revenue	21,539	-	-	-	-	-	-	21,539
Federal sources								
Federal restricted grants-in-aid	-	3,053,752	-	12,535,910	2,817,311	-	3,310,960	21,717,933
Total revenues	26,495,578	3,053,752	10,720,528	12,535,910	2,869,628	1,577,121	4,983,932	62,236,449
EXPENDITURES								
Current								
Instructional services								
Regular programs	18,001,734	-	720,441	2,983,770	-	-	343,492	22,049,437
Special education programs	2,654,898	-	774,888	105,309	-	-	378,947	3,914,042
Vocational programs	405,148	-	145,258	16,097	-	-	300,658	867,161
Other instructional programs	1,048,113	-	186,477	1,670,371	-	-	1,454,994	4,359,955
Special programs	111,978	1,916,242	163,105	131,005	-	-	453,798	2,776,128
Adult/Continuing education programs	-	-	1,266	-	-	-	-	1,266
Support services								
Pupil support services	1,562,989	-	342,798	115,781	-	-	154,795	2,176,363
Instructional staff support	665,829	687,389	299,061	1,246,826	-	-	1,186,937	4,086,042
General administration	988,776	-	232,772	23,817	-	-	4,419	1,249,784
School administration	1,575,763	-	363,359	92,765	-	-	13,256	2,045,143
Business services	1,372,620	-	151,215	113,902	-	-	657	1,638,394
Plant services	3,255,203	-	778,187	566,867	189,191	-	57,696	4,847,144
Student transportation services	1,961,459	-	437,338	314,790	-	-	118,012	2,831,599
Central services	619,953	120,846	115,543	166,375	-	-	5,730	1,028,447
Other support services	-	-	1,771	-	-	-	-	1,771
Noninstructional services								
Food service operations	146,013	-	346,332	396,309	5,000,377	-	22,187	5,911,218
Debt service								
Principal	193,762	-	-	-	-	1,055,830	55,000	1,304,592
Interest	41,237	-	-	-	-	211,974	41,160	294,371
Capital outlay	-	-	1,989,024	3,449,403	247,545	-	33,364	5,719,336
Total expenditures	34,605,475	2,724,477	7,048,835	11,393,387	5,437,113	1,267,804	4,625,102	67,102,193
Excess (deficiency) of revenues over expenditures	(8,109,897)	329,275	3,671,693	1,142,523	(2,567,485)	309,317	358,830	(4,865,744)

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

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

<i>For the year ended June 30, 2023</i>	MAJOR FUNDS						AGGREGATE	TOTAL
	GENERAL FUND	SPECIAL REVENUE					REMAINING FUNDS	
		TITLE I	SALES TAX	EDUCATION STABILIZATION FUND	SCHOOL FOOD SERVICE	DEBT SERVICE	NONMAJOR GOVERNMENTAL	
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of assets	13,582	-	-	-	-	-	-	13,582
Proceeds from issuance of debt	-	-	-	3,380,200	-	-	-	3,380,200
Transfers in	5,731,901	-	-	-	-	-	-	5,731,901
Payments to bond escrow	-	-	-	-	-	-	-	-
Transfers out	-	(329,275)	(3,979,986)	(1,142,523)	-	-	-	(5,451,784)
Total other financing sources (uses)	5,745,483	(329,275)	(3,979,986)	2,237,677	-	-	-	3,673,899
Net change in fund balances	(2,356,477)	-	(308,293)	3,380,200	(2,567,485)	309,317	70,776	(1,471,962)
Fund balances as originally stated	3,113,449	-	5,739,632	-	2,952,077	627,506	1,327,107	13,759,771
Prior period adjustment	-	-	-	-	-	-	-	-
Fund balances at beginning of year	3,113,449	-	5,739,632	-	2,952,077	627,506	1,327,107	13,759,771
Fund balances at end of year	\$ 756,972	\$ -	\$ 5,431,339	\$ 3,380,200	\$ 384,592	\$ 936,823	\$ 1,397,883	\$ 12,287,809

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

Morehouse Parish School Board

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

For the year ended June 30, 2023

Total net change in fund balances - Governmental Funds	\$	(1,471,962)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives.

Capital assets:

Capital expenditures	5,719,336	
Depreciation	(1,416,157)	4,303,179

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, interest expense is recognized as the interest accrues, regardless of when it is due.

Excess of interest accrued over interest paid		(719)
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Change in deferred inflows of resources - pension plans		12,722,868
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Change in deferred outflows of resources - pension plans		3,197,118
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Change in deferred inflows of resources - other post-employment benefits		4,747,967
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Change in deferred outflows of resources - other post-employment benefits		1,597,867
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The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Changes in long-term debt

Proceeds from issuance of debt	(3,380,200)	
Principal portion of debt service payments	1,105,000	
Principal portion of capital lease payments	202,279	
Change in bond premiums	6,526	
Net change in other post-employment benefits	(8,080,606)	
Net change in net pension liability	(14,810,898)	
Net change in compensated absences	54,024	(24,903,875)

Change in net position of governmental activities	\$	192,443
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The accompanying notes are an integral part of the financial statements.

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

June 30, 2023

Assets

Current assets	
Cash	\$ 3,793,396
Restricted cash	283,454
Receivables	1,341,459
Other assets	31,245
Total current assets	5,449,554
Capital assets, net of accumulated depreciation	8,675,124
Finance lease right-of-use asset, net	68,768
Total assets	\$ 14,193,446

Liabilities

Current liabilities	
Accounts payable	\$ 446,703
Retainage payable	43,489
Accrued payroll and related amounts	849,184
Due to others	72,296
current portion of finance lease liability	23,619
Current portion of compensated absences	35,707
Total current liabilities	1,470,998
Non-current liabilities	
Finance lease liability, non-current	45,563
Compensated absences, non-current	297,535
Total liabilities	1,814,096

Net Position

Without Donor Restrictions	
Undesignated	12,103,396
With Donor Restrictions	275,954
Total net position	12,379,350
Total liabilities and net position	\$ 14,193,446

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

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

For the year ended June 30, 2023

Expenses	
Instructional	\$ 6,342,656
Support services	4,740,236
Total expenses	11,082,892
Program Revenues	
Charges for services	100
Operating grants and contributions	4,729,628
Total program revenues	4,729,728
Net program expense	6,353,164
General Revenues	
Minimum Foundation Program	10,028,455
Student activity funds	4,053
Other revenue	26,904
Total general revenues	10,059,412
Change in net position	3,706,248
Net Position at beginning of year	8,673,102
Net Position at end of year	\$ 12,379,350

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The School Board operates five schools within the parish with a total enrollment of approximately 3,200 students. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

Financial Reporting Entity

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The accompanying financial statements present the School Board and its component unit, an entity for which the School Board is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the School Board. The accounting policies of the School Board conform to generally accepted accounting principles (GAAP) as applied to governmental entities. The more significant accounting policies are described below.

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

Discretely Presented Component Unit

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

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

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

Major individual governmental funds are reported as separate columns in the fund financial statements. Separate financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The School Board reports the following major governmental funds:

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

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

Title I of the Elementary and Secondary Education Act (ESEA) is a federally financed program which provides for the needs of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds (Continued)

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

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

Budgetary basis of accounting

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

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

Cash and Cash Equivalents

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

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

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

Investments

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

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

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

Interfund Activities and Transactions

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

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

Inventories

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

Restricted Assets

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

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

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

Buildings	40 years
Furniture and equipment	3-15 years

Deferred Outflows/Inflows of Resources

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources (Continued)

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

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums are deferred and amortized over the life of the bonds and are recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification Section I30: *Interest Costs – Imputation*, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

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

Categories and Classification of Fund Equity

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity (Continued)

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

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

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

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

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity (Continued)

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

Revenues, and Expenditures / Expenses

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

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

Use of Estimates

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

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 21, 2025, and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Newly Adopted Accounting Pronouncements

In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement did not have a material impact on the financial statements of the School Board.

Recently Issued Accounting Pronouncements

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

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

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

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

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

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

The following is a schedule of the School Board's cash and cash equivalents at June 30, 2023.

	School Board Book Balances	Bank Balance
Cash on deposit	\$ 5,158,467	\$ 8,644,703
Petty cash	100	-
Total cash and cash equivalents	\$ 5,158,567	\$ 8,644,703

The School Board's deposits are collateralized as follows:

Federal Deposit Insurance	\$ (750,000)
Pledged Securities	13,818,673
Total collateralized deposits	\$ 13,068,673

The School Board's investments at June 30, 2023, consist of a certificate of deposit with a carrying and market value of \$79,846. It is held by the School Board's agent in the School Board's name and is collateralized.

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The School Board's investment policy limits investments to securities with specific ranking criteria.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosure of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The School Board's investment policy does not address concentration risk.

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

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

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

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

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

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

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

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

The certificate of deposit matured in August 2022 and was renewed to mature in August 2023.

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Receivables

Receivables consisted of the following at June 30, 2023:

<i>June 30, 2023</i>	Taxes		Intergovernmental Grants		Other	Total
	Ad Valorem	Sales Tax	Federal	State		
Fund:						
General	\$ 4,397	\$ -	\$ -	\$ 9,239	\$ 7,442	\$ 21,078
Title I	-	-	1,007,361	-	-	1,007,361
School Food Service	-	-	577,806	-	143	577,949
Sales Tax	2,389	702,618	-	-	-	705,007
Education Stabilization Fund	-	-	6,158,616	-	-	6,158,616
Debt Service	2,382	-	-	-	-	2,382
Nonmajor Governmental	438	-	1,566,205	79,563	2	1,646,208
Total receivables	\$ 9,606	\$ 702,618	\$ 9,309,988	\$ 88,802	\$ 7,587	\$ 10,118,601

Capital Assets

The following is a summary of changes in capital assets during the year ended June 30, 2023:

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land	\$ 319,013	\$ -	\$ -	\$ -	\$ 319,013
Construction in progress	-	1,150,596	-	-	1,150,596
Total capital assets not being depreciated	319,013	1,150,596	-	-	1,469,609
Capital assets being depreciated					
Buildings and improvements	38,105,548	1,983,398	-	-	40,088,946
Furniture and equipment	10,675,450	2,585,342	-	-	13,260,792
Total capital assets being depreciated	48,780,998	4,568,740	-	-	53,349,738
Less accumulated depreciation					
Building and improvements	27,660,427	829,435	-	-	28,489,862
Furniture and equipment	7,762,466	586,722	-	-	8,349,188
Total accumulated depreciation	35,422,893	1,416,157	-	-	36,839,050
Total capital assets being depreciated, net	13,358,105	3,152,583	-	-	16,510,688
Governmental activities capital assets, net	\$ 13,677,118	\$ 4,303,179	\$ -	\$ -	\$ 17,980,297

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

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

Instructional services:	
Regular programs	\$ 23,836
Special education programs	3,295
Vocational programs	3,866
Other instructional programs	3,284
Special programs	71,307
Support services:	
Pupil support services	1,568
Instructional staff support services	875
General administration	352
Business services	172
Plant services	976,681
Student transportation services	310,115
Central services	849
Noninstructional services:	
Food service operations	19,957
Total depreciation expense	\$ 1,416,157

Long-Term Debt and Liabilities

In fiscal year 2012, the School Board issued \$7,775,000 in general obligation bonds to provide resources for the refunding of \$7,550,000 in Series 2003 General Obligation Bonds. The amount paid to the escrow agent exceeded the bonds refunded by \$472,537. This amount is being netted against the new bonds and amortized over the remaining life of the refunded bonds, which is shorter than the life of the new bonds. The School Board refunding resulted in a reduction of \$545,863 in future debt service payments for an economic benefit of \$427,076. The amount outstanding as of June 30, 2023 was \$3,030,000.

In fiscal year 2016, the School Board issued \$3,725,000 in general obligation refunding bonds to advance refund \$3,565,000 of the Series 2007 general obligation bonds to reduce total future debt service payments. The net proceeds of the bonds of \$3,714,615 (including a \$110,938 premium and after \$121,323 in issuance costs) were placed in an irrevocable trust with an escrow agent for the purpose of generating resources for all future debt service payments of the refunded general obligation bonds. The refunding resulted in a present value savings of \$454,097. The amount outstanding as of June 30, 2023 was \$2,370,000.

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities (Continued)

In fiscal year 2023, the School Board issued \$11,000,000 in Series 2023 revenue bonds in the amount of for the purpose of paying the cost of capital improvements and paying the costs of issuance. When reimbursement requests are received by the School Board, the corresponding payments are applied against the loan. The amount outstanding as of June 30, 2023 was \$3,380,200.

In fiscal year 2022, the School Board issued \$2,150,000 in Series 2021 general obligation bonds to provide resources for the refunding of \$2,050,000 of Series 2012 General Obligation Bonds. The amount of refunding resulted in \$68,689 of deferred outflow of bond refunding and amortized over the remaining life of the refunded bonds, which is shorter than the life of the new bonds. The School Board refunding resulted in a reduction of \$70,000 in future debt service payments. The amount outstanding as June 30, 2023 was \$1,840,000.

In fiscal year 2016, the School Board issued \$1,270,000 of Limited Tax Bonds, Series 2016 of Consolidated School District No.12 for the purpose of refunding and extending the School Board's outstanding \$925,000 Limited Tax Bonds, Series 2014 and acquiring, constructing, improving or equipping public elementary and secondary schools as authorized in the proposition approved by the voters on May 3, 2014, and paying the costs of issuance of the bonds. The amount outstanding as of June 30, 2023 was \$900,000.

Long-term liability activity for the year ended June 30, 2023, was as follows for governmental activities:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation debt	\$ 8,290,000	\$ -	\$ 1,050,000	\$ 7,240,000	\$ 810,600
Limited tax bond	955,000	-	55,000	900,000	60,000
Bond premium	65,256	-	6,526	58,730	6,526
Revenue bond	-	3,380,200	-	3,380,200	-
Other liabilities:					
Financed purchase debt	992,962	-	202,279	790,683	206,800
Compensated absences	924,866	592,736	646,760	870,842	645,000
Net pension liability	17,706,597	14,810,898	-	32,517,495	-
Other post employment benefits	50,920,407	8,080,606	-	59,001,013	2,676,615
Total long-term obligations	\$ 79,855,088	\$ 26,864,440	\$ 1,960,565	\$ 104,758,963	\$ 4,405,541

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

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt and Liabilities (Continued)

The following is a summary of governmental activities bonds payable for the year ended June 30, 2023:

Bonds Payable	Original Issue	Interest Rate	Range of Maturities	Principal	Interest
Limited Tax Bonds					
Series 2016, refunding	\$ 1,270,000	1.50 - 5.00%	2016 - 2035	\$ 900,000	\$ 290,894
Revenue Bonds					
Series 2023	\$ 11,000,000	4.60%	2028	\$ 3,380,200	\$ 311,447
General Obligation Bonds					
Series 2011, refunding	\$ 7,775,000	3.17%	2012 - 2028	3,030,000	294,652
Series 2016, refunding	\$ 3,725,000	1.00 - 3.00%	2016 - 2032	2,370,000	373,100
Series 2021, refunding	\$ 2,150,000	1.50%	2022 - 2029	1,840,000	191,250
Total				\$ 11,520,200	\$ 1,461,343

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

Year Ending June 30,	Principal	Interest	Total
2024	\$ 845,000	545,233	\$ 1,390,233
2025	870,000	209,406	1,079,406
2026	900,000	183,076	1,083,076
2027	930,000	155,710	1,085,710
2028	4,335,200	126,187	4,461,387
2029-2033	3,455,000	227,821	3,682,821
2034-2038	185,000	13,910	198,910
Total	\$ 11,520,200	\$ 1,461,343	\$ 12,981,543

Deferred Outflows of Resources and Deferred Inflows of Resources

The balances of deferred inflows and outflows of resources as of June 30, 2023 consist of:

	Deferred Outflows	Deferred Inflows
Net Pension Liabilities (GASB 68):		
Teachers' Retirement System of Louisiana (TRSL)	\$ 9,791,797	\$ 1,603,184
Louisiana School Employees' Retirement System (LSERS)	1,126,563	180,188
Other Post-employment Benefits (GASB 75)	11,544,706	9,807,658
Bond refunding	51,517	-
Total	\$ 22,514,583	\$ 11,591,030

**Morehouse Parish School Board
Notes to the Basic Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables, Payables and Transfers

Individual internal balance amounts at June 30, 2023, are as follows:

	Due From	Due To
Major Funds:		
General Fund	\$ 3,424,099	\$ 2,594,070
Debt Service	-	601,664
Special Revenue:		
Title I	31,296	913,793
Sales Tax	4,460,623	-
School Food Service	-	113,486
Education Stabilization Fund	3,380,200	5,491,853
Non-major Funds:		
Special Revenue:		
Special Education	-	322,516
Title II	-	149,630
JAG / Vocational Education	-	30,256
LA 4	51	-
8 (g)	33	-
21st Century Grant	-	816,509
Rural Education Achievement	-	9,918
ROTC	-	1,963
East Morehouse Parish Tax District	-	10,678
Miscellaneous Grants	-	239,966
<hr/>		
Total	\$ 11,296,302	\$ 11,296,302

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables, Payables and Transfers (Continued)

Transfers to/from other funds for the year ended June 30, 2023 were as follows:

Operating Transfers	Tranfers		Net
	In	Out	
Major Funds			
General Fund	\$ 5,739,838	\$ -	\$ 5,739,838
Title I	-	(329,275)	(329,275)
Sales Tax	-	(3,979,986)	(3,979,986)
Education Stabilization Fund	-	(1,142,523)	(1,142,523)
Nonmajor Funds			
Special Education	-	(113,975)	(113,975)
21st Century Grant	-	(123,032)	(123,032)
Miscellaneous Grants	-	(51,047)	(51,047)
Total	\$ 5,739,838	\$ (5,739,838)	\$ -

Finance Purchases

In June 2016, the School Board entered into a noncancellable finance purchase agreement for \$1,361,730 for the purpose of acquiring fifteen new school buses that expires in 2025. The net book value at June 30, 2023 was \$238,957.

In July 2018, the School Board entered into a noncancellable finance purchase agreement for \$788,495 for the purpose of acquiring seven new school buses that expires in July 2027. The net book value at June 30, 2023 was \$331,894.

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Finance Purchases (Continued)

Future minimum lease payments under capital leases are as follows:

Year ending June 30,		
2024	\$	235,000
2025		235,000
2026		235,000
2027		78,850
2028		78,851
Thereafter		-
Total minimum lease payments		862,701
Less amount representing interest		72,018
Present value of minimum lease payments	\$	790,683

Ad Valorem Taxes

The Sheriff of Morehouse Parish, as provided by State law, bills and collects property taxes on behalf of the School Board using the assessed values determined by the tax assessor of Morehouse Parish. For the year ended June 30, 2023, taxes of 58.37 mills were levied and were dedicated as follows:

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

The School Board's portion of the total taxes originally levied was \$7,523,693. The School Board collected \$6,756,345 through June 30, 2023, of which a nominal amount was for prior year(s) levies. Approximately 85% of the homestead exemption is not appropriated by the State of Louisiana and therefore is not collected. Collections are remitted to the School Board monthly.

**Morehouse Parish School Board
Notes to the Basic Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Ad Valorem Taxes (Continued)

Below is the property tax calendar in effect for the year ended June 30, 2023:

	<u>Parish (Except City of Bastrop)</u>	<u>City of Batrop</u>
Tax bills mailed	December 1, 2022	December 2022
Total taxes are due	December 31, 2022	December 31, 2022
Lien date	July 2022	July 2022
Penalties and interest are added	January 1, 2023	January 1, 2023
Tax sale date(s)	June 2023	June 2023

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

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

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

Note 3: PENSION AND RETIREMENT PLANS

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Basis of Accounting

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

Method Used to Value Investments (TRSL)

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Method Used to Value Investments (TRSL) (Continued)

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

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

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

Method Used to Value Investments (LSERS)

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

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

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Method Used to Value Investments (LSERS) (Continued)

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

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

Funding Requirements (TRSL)

The employer contribution rate is established annually under LA R.S. 11:101 - 11:104 by the Public Retirement Systems Actuarial Committee (PRSACX) taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2023 are as follows:

TRSL Sub Plan	Contribution Rates	
	School Board	Employees
K-12 Regular Plan	24.8%	8.0%
Plan A	24.8%	9.1%
Plan B	24.8%	5.0%

The School Board's contractually required composite contribution rate for the year ended June 30, 2023, was 24.8% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the School Board were \$4,045,878 for the year ended June 30, 2023.

Funding Requirements (LSERS)

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2023 was 28.2%. The actual employer rate for the year ended June 30, 2023 was 28.7%. A difference may exist due to the State statute that requires the rate to be calculated in advance.

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Funding Requirements (LSERS)

Contributions to the pension plan from the School Board were \$574,924 for the year ended June 30, 2023.

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

The net pension liabilities were measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability for TRSL was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Schools Board's proportion of the net pension liability of LSERS was based on the School Board's historical contributions.

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2023, and the change compared to the **June 30, 2022** proportion:

	Net Pension Liability at June 30, 2023	Proportion at June 30, 2023	Increase (Decrease) to June 30, 2022 Proportion
LSERS	\$ 4,207,911	0.632771%	0.070681%
TRSL	28,309,584	0.296520%	0.014900%
	<u>\$ 32,517,495</u>		

The following table reflects the School Board's recognized pension expense plus the School Board's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2023:

	Pension Expense	Amortization	Total
LSERS	\$ 632,604	\$ (14,811)	\$ 617,793
TRSL	3,190,651	(162,600)	3,028,051
	<u>\$ 3,823,255</u>	<u>\$ (177,411)</u>	<u>\$ 3,645,844</u>

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

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

At June 30, 2023, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LSERS	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience	\$ 99,632	\$ -
Investment earnings	-	108,389
Assumptions	151,792	-
Change in proportions	300,215	71,799
Contributions made after the measurement date	574,924	-
	\$ 1,126,563	\$ 180,188

TRSL	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience	\$ 438,789	\$ 81,642
Investment earnings	1,606,533	-
Assumptions	1,909,467	-
Change in proportions	1,791,130	1,521,542
Contributions made after the measurement date	4,045,878	-
	\$ 9,791,797	\$ 1,603,184

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
LSERS	\$ 1,126,563	\$ 180,188
TRSL	9,791,797	1,603,184
	\$ 10,918,360	\$ 1,783,372

**Morehouse Parish School Board
Notes to the Basic Financial Statements**

Note 3: PENSION AND RETIREMENT PLANS (Continued)

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

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

	Subsequent Contributions
LSERS	\$ 574,924
TRSL	4,045,878
	\$ 4,620,802

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2023.

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

<i>June 30,</i>	2024	2025	2026	2027	Total
TRSL	\$ 81,329	\$ 1,000,542	\$ 11,072	\$ 3,049,792	\$ 4,142,735
LSERS	249,381	155,906	(243,296)	209,460	371,451
	\$ 330,710	\$ 1,156,448	\$ (232,224)	\$ 3,259,252	\$ 4,514,186

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023, are as follows:

	LSERS	TRSL
Valuation Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	Closed
Actuarial Assumptions:		
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	6.80% net of investment expenses	7.25% net of investment expenses
Inflation Rate	2.50%	2.30% per annum.
Projected Salary Increases	3.25% based on the 2018 experience of the System's members	3.1% - 4.6% varies depending on duration of service

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Actuarial Assumptions (Continued)

	LSERS	TRSL
Cost of Living Adjustments	Cost of living raises may be granted from the None Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outlined by ACT 399 of 2014.	
Mortality	RP-2014 Healthy Annuitant Tables, RP-2014 Sex Distinct Employee Table, RP-2014 Sex Distinct Disabled Mortality Table	RP-2014 White Collar Active members – RP-2014 White Collar Distinct Employee tables, adjusted by 1.010 for males and by 0.997 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. 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, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2012-2017) experience study of the System's members. The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.	Termination, disability, and retirement assumptions were projected based on a five-year (2012-2017) experience study of the System's members. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

**Morehouse Parish School Board
Notes to the Basic Financial Statements**

Note 3: PENSION AND RETIREMENT PLANS (Continued)

Actuarial Assumptions (Continued)

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2022:

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

n/a – amount not provided by Retirement System

Discount Rate

The discount rates used to measure the total pension liability for TRSL and LSERS, were 7.25% and 6.80%, respectively, for the year ended June 30, 2023.

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

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 3: PENSION AND RETIREMENT PLANS (Continued)

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSERS			
Discount rate	5.80%	6.80%	7.80%
Share of NPL	\$ 5,884,567	\$ 4,207,911	\$ 2,774,864
TRSL			
Discount rate	6.25%	7.25%	8.25%
Share of NPL	\$ 38,878,784	\$ 28,309,584	\$ 18,712,480

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2023, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$134,129 for its participation in TRSL. LSERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS for the year ended June 30, 2023.

Pension Plans Fiduciary Net Position

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

As of June 30, 2023, the School Board had no payables due to the pension plans. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions.

Morehouse Parish School Board Notes to the Basic Financial Statements

Note 4: OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

The OGB plan is a fully insured, multiple employer arrangement and has been deemed to be an agent multiple-employer plan (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement from either the Teachers' Retirement System of Louisiana (TRSL) or the Louisiana School Employees' Retirement System (LSERS). The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 5 years of service. For membership after January 1, 2011, the earliest allowable retirement age without actuarial reduction in benefits is age 60.

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

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

Contribution Rates

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

Net OPEB Liability

The components of the net other post-employment benefits (OPEB) liability of the School Board at June 30, 2023, were as follows:

Total OPEB liability	\$ 59,001,013
Plan fiduciary net position	-
<hr/> School Board's net OPEB liability	<hr/> \$ 59,001,013 <hr/>

The School Board's net OPEB liability was measured as of **June 30, 2022**, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 4: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions

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

Inflation	2.00%
Salary increases	4.00%
Discount rates	3.65%
Healthcare cost trend rates	5.50%

Mortality Rate

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

Discount Rate

Although this plan is a defined benefit OPEB plan, which meets the requirements of paragraph 4 of GASB Statement No. 75, the funded ratio is 0% and the total actual and deemed employer contributions are well below the actuarially determined contribution. We have therefore used a discount rate which would be applicable had the requirements of paragraph 4 not been met. The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2023, the end of the applicable measurement period.

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2022	\$ 50,920,407	\$ -	\$ 50,920,407
Service cost	1,293,249	-	1,293,249
Interest on total OPEB liability	1,803,636	-	1,803,636
Effect on economic/demographic gains or losses	3,897,027	-	3,897,027
Effect of assumptions changes or inputs	3,635,851	-	3,635,851
Benefit payments	(2,549,157)	-	(2,549,157)
Net change	8,080,606	-	8,080,606
Balance at June 30, 2023	\$ 59,001,013	\$ -	\$ 59,001,013

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 4: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	1.0% Decrease (2.65%)	Current Discount Rate (3.65%)	1.0% Increase (4.65%)
Net OPEB liability	\$ 67,716,697	\$ 59,001,013	\$ 51,950,366

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

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

	1.0% Decrease (4.50%)	Current Trend Rate (5.50%)	1.0% Increase (6.50%)
Net OPEB liability	\$ 51,563,504	\$ 59,001,013	\$ 68,264,919

OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2023, the School Board recognized OPEB expense of \$4,283,292. At June 30, 2023, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,642,029	\$ 3,542,923
Changes in assumptions	7,902,677	6,264,735
Total	\$ 11,544,706	\$ 9,807,658

Morehouse Parish School Board
Notes to the Basic Financial Statements

Note 4: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

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

Year ended June 30:

2024	\$	1,187,043
2025	\$	399,841
2026	\$	150,164
2027	\$	-
2028	\$	-
Thereafter	\$	-

Payable to the OPEB Plan

At June 30, 2023, the School Board reported no payables for outstanding contributions to the OPEB Plan required for the year ended June 30, 2023.

Funded Status and Funding Progress

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

Note 5: RISK MANAGEMENT

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

Note 6: LITIGATION AND CONTINGENCIES

The School Board is involved as a defendant in certain litigation through the normal course of its operations. Management and legal counsel for the School Board believe that the potential claims against the School Board, not covered by insurance, would not adversely affect the School Board's financial position. As a result, no amounts have been accrued in the financial statements as of June 30, 2023.

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

REQUIRED SUPPLEMENTARY INFORMATION

Morehouse Parish School Board
Budgetary Comparison Schedule – General Fund
June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ 3,113,449	\$ 3,113,449	\$ 3,113,449	\$ -
Resources (inflows)				
Local sources				
Ad valorem tax	2,942,789	3,033,598	3,035,782	2,184
Interest earnings	1,944	13,092	58,173	45,081
Other	238,071	530,681	754,298	223,617
State sources				
Equalization	17,397,920	17,613,186	22,445,827	4,832,641
Other	170,567	199,371	201,498	2,127
Federal sources	-	-	-	-
Other sources				
Transfers in	1,504,818	1,160,314	5,739,838	4,579,524
Proceeds from sale of assets	-	-	13,582	13,582
Total resources	22,256,109	22,550,242	32,248,998	9,698,756
Amounts available for appropriations	25,369,558	25,663,691	35,362,447	9,698,756
Charges to appropriations (outflows)				
Current				
Instruction				
Regular programs	6,257,339	6,809,247	18,001,734	11,192,487
Special education programs	2,746,858	2,610,585	2,654,898	44,313
Vocational programs	362,415	404,486	405,148	662
Other instructional programs	1,095,494	1,048,555	1,048,113	(442)
Special programs	98,180	109,068	111,978	2,910
Support Services				
Pupil support services	1,499,777	1,499,567	1,562,989	63,422
Instructional staff support	581,024	707,016	665,829	(41,187)
General administration	939,403	977,854	988,776	10,922
School administration	1,587,597	1,575,008	1,575,763	755
Business services	790,350	775,812	1,372,620	596,808
Plant services	3,427,950	3,039,555	3,255,203	215,648
Student transportation services	2,061,435	1,977,895	1,961,459	(16,436)
Central services	462,115	605,662	619,953	14,291
Food service operations	143,006	146,013	146,013	-
Capital outlay	21,603	149,740	-	(149,740.00)
Debt service				
Principal retirement	134,045	193,763	193,762	(1)
Interest and bank charges	22,106	41,238	41,237	(1)
Other sources (uses)				
Transfers out	-	-	-	-
Total charges to appropriations	22,230,697	22,671,064	34,605,475	11,934,411
Budgetary Fund Balances, Ending	\$ 3,138,861	\$ 2,992,627	\$ 756,972	\$ (2,235,655)

See notes to budgetary comparison schedules.

Morehouse Parish School Board
Budgetary Comparison Schedule – Title I
June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Federal sources	2,410,619	3,053,753	3,053,752	(1)
Total federal sources	2,410,619	3,053,753	3,053,752	-
Other sources				
Transfers in	-	-	-	-
Total other sources	-	-	-	-
Total resources	2,410,619	3,053,753	3,053,752	(1)
Amounts available for appropriations	2,410,619	3,053,753	3,053,752	(1)
Charges to appropriations (outflows)				
Current				
Instruction				
Special programs	1,453,673	1,916,242	1,916,242	-
Support services				
Instructional staff support	563,325	687,390	687,389	(1)
Central services	126,836	120,846	120,846	-
Other uses				
Transfers out	266,785	329,275	329,275	-
Total charges to appropriations	2,410,619	3,053,753	3,053,752	(1)
Budgetary Fund Balances, Ending	\$ -	\$ -	\$ -	\$ -

See notes to budgetary comparison schedules.

Morehouse Parish School Board
Budgetary Comparison Schedule – School Food Service
June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ 2,952,077	\$ 2,952,077	\$ 2,952,077	\$ -
Resources (inflows)				
Local sources				
Food services	4,608	16,869	16,868	(1)
Other	9,011	-	-	
State sources				
Other local revenue	37,672	35,449	35,449	-
Federal sources	4,154,530	2,817,332	2,817,311	(21)
Total resources	4,205,821	2,869,650	2,869,628	(22)
Amounts available for appropriations	7,157,898	5,821,727	5,821,705	(22)
Charges to appropriations (outflows)				
Current				
Support services				
Plant services	122	189,191	189,191	-
Non-Instructional services				
Food service operations	3,243,115	3,814,537	5,000,377	1,185,840
Total charges to appropriations	3,243,237	4,003,728	5,437,113	1,433,385
Budgetary Fund Balances, Ending	\$ 3,914,661	\$ 1,817,999	\$ 384,592	\$ (1,433,407)

See notes to budgetary comparison schedules.

Morehouse Parish School Board
Budgetary Comparison Schedule – Sales Tax
June 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ 5,739,632	\$ 5,739,632	\$ 5,739,632	\$ -
Resources (inflows)				
Local sources				
Sales and Use Taxes	7,722,223	9,123,417	9,123,417	-
Renewable tax	1,520,448	1,565,412	1,565,412	-
Interest on Investments	2,343	3,260	31,699	28,439
Other Local Revenue	-	-	-	-
Total resources	9,245,014	10,692,089	10,720,528	28,439
Amounts available for appropriations	14,984,646	16,431,721	16,460,160	28,439
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	2,463,070	2,605,559	720,441	(1,885,118)
Special education programs	737,282	774,887	774,888	1
Vocational programs	117,300	145,258	145,258	-
Other instructional programs	183,328	186,522	186,477	(45)
Special programs	177,215	163,105	163,105	-
Adult/Continuing education programs	1,266	1,266	1,266	-
Support services				
Pupil support services	390,696	342,927	342,798	(129)
Instructional staff support	320,768	298,970	299,061	91
General administration	222,152	231,992	232,772	780
School administration	364,134	363,358	363,359	1
Business services	164,598	146,354	151,215	4,861
Plant services	460,202	666,899	778,187	111,288
Student transportation services	432,276	435,891	437,338	1,447
Central services	116,732	114,253	115,543	1,290
Other support services	2,131	1,771	1,771	-
Noninstructional services				
Food service operations	305,111	345,953	346,332	379
Capital outlay	2,161,792	2,087,381	1,989,024	(98,357)
Transfers out	2,200,000	3,979,986	3,979,986	-
Total charges to appropriations	10,820,053	12,892,332	11,028,821	(1,863,511)
Budgetary Fund Balances, Ending	\$ 4,164,593	\$ 3,539,389	\$ 5,431,339	\$ 1,891,950

See notes to budgetary comparison schedules.

Morehouse Parish School Board
Notes to Budgetary Comparison Schedule
June 30, 2023

Note A – BUDGETS

General Budget Policies

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

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

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

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

Budget Basis of Accounting

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

Morehouse Parish School Board
Notes to Budgetary Comparison Schedule
June 30, 2023

Note B - Budget to GAAP Reconciliation

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

	<u>General Fund</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 35,362,447
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(3,113,449)
State equalization revenue received and transferred to charter schools but is not a current year expense for financial reporting purposes	-
Other financing sources including proceeds from sale of assets, proceeds from issuance of debt and transfers in of indirect costs from other funds	(5,753,420)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 26,495,578
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 34,605,475
State equalization revenue received and transferred to charter schools but is not a current year expense for financial reporting purposes	-
Other financing uses including proceeds from sale of assets, proceeds from issuance of debt and transfers in of indirect costs from other funds	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 34,605,475

Morehouse Parish School Board
Notes to Budgetary Comparison Schedule
June 30, 2023

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

	Title I
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 3,053,752
Other financing sources	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 3,053,752
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 3,053,752
Other financing uses including transfers out of direct costs to General Fund	(329,275)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 2,724,477

Morehouse Parish School Board
Notes to Budgetary Comparison Schedule
June 30, 2023

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

	School Food Service
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 5,821,705
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(2,952,077)
<u>Other financing sources</u>	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 2,869,628
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 5,437,113
<u>Other financing uses</u>	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 5,437,113

Morehouse Parish School Board
Notes to Budgetary Comparison Schedule
June 30, 2023

	Sales Tax
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 16,460,160
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(5,739,632)
Other financing sources	-
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 10,720,528
<hr/>	
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 11,028,821
Other financing uses - transfer to debt service fund	(3,979,986)
<hr/>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 7,048,835
<hr/>	

Morehouse Parish School Board
Schedule of Changes in Net OPEB Liability and Related Ratios
June 30, 2023

For the Year Ended June 30,	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	\$ 1,293,249	\$ 730,059	\$ 802,534	\$ 647,207	\$ 649,516	\$ 624,535	N/A
Interest	1,803,636	1,435,648	1,411,874	1,864,401	1,934,322	1,908,695	N/A
Differences between expected and actual experience	3,897,027	(5,182,244)	2,630,348	(2,113,796)	1,030,469	(741,595)	N/A
Changes of assumptions	3,635,851	(11,153,553)	518,447	13,049,794	2,664,625	(2,063,878)	N/A
Benefit payments	(2,549,157)	(2,749,413)	(2,818,027)	(2,842,936)	(3,142,699)	(2,978,862)	N/A
Net change in total OPEB liability	8,080,606	(16,919,503)	2,545,176	10,604,670	3,136,233	(3,251,105)	N/A
Total OPEB liability - beginning	50,920,407	67,839,910	65,294,734	54,690,064	51,553,831	54,804,936	54,804,936
Total OPEB liability - ending (a)	\$ 59,001,013	\$ 50,920,407	\$ 67,839,910	\$ 65,294,734	\$ 54,690,064	\$ 51,553,831	\$ 54,804,936
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending (a)-(b)	\$ 59,001,013	\$ 50,920,407	\$ 67,839,910	\$ 65,294,734	\$ 54,690,064	\$ 51,553,831	\$ 54,804,936
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%	0%	0%
Covered payroll	\$ 16,269,498	\$ 15,777,529	\$ 12,564,557	\$ 12,081,305	\$ 14,933,849	\$ 14,359,470	\$ 14,359,470
Net OPEB liability as a percentage of covered payroll	363%	323%	540%	540%	366%	359%	382%

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

Morehouse Parish School Board
Schedule of Employer's Proportionate Share of Net Pension Liability
June 30, 2023

Fiscal Year*	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered-employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Louisiana School Employees' Retirement System					
2022	0.632771%	\$ 4,207,911	\$ 1,969,395	214%	76.3%
2021	0.562090%	\$ 2,671,709	\$ 1,771,882	151%	82.5%
2020	0.581744%	\$ 4,674,062	\$ 1,825,571	256%	69.7%
2019	0.624025%	\$ 4,368,560	\$ 1,861,125	235%	62.5%
2018	0.578072%	\$ 3,862,315	\$ 1,667,469	232%	62.5%
2017	0.591239%	\$ 3,783,498	\$ 1,691,871	224%	62.5%
2016	0.615521%	\$ 4,643,166	\$ 1,643,169	283%	62.5%
2015	0.621001%	\$ 3,693,777	\$ 1,748,324	211%	76.2%
2014	0.582450%	\$ 3,599,896	\$ 1,643,169	219%	74.5%
Teachers' Retirement System of Louisiana					
2022	0.296520%	\$ 28,309,584	\$ 14,776,758	192%	72.4%
2021	0.281620%	\$ 15,034,888	\$ 14,340,781	105%	83.9%
2020	0.276250%	\$ 30,728,863	\$ 13,678,018	225%	65.6%
2019	0.278850%	\$ 27,674,390	\$ 15,385,676	180%	62.5%
2018	0.347510%	\$ 34,153,549	\$ 16,738,375	204%	62.5%
2017	0.328990%	\$ 33,727,753	\$ 16,790,919	201%	62.5%
2016	0.356450%	\$ 41,836,724	\$ 17,210,387	243%	62.5%
2015	0.351020%	\$ 37,742,321	\$ 20,688,256	182%	63.7%
2014	0.420120%	\$ 42,942,391	\$ 18,044,523	238%	62.5%

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

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

Morehouse Parish School Board Schedule of Employers' Contributions June 30, 2023

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Employer's covered-employee payroll	Contributions as a percentage of covered-employee payroll
Louisiana School Employees' Retirement System					
2023	\$ 574,924	\$ 574,924	\$ -	\$ 2,053,299	28.0%
2022	\$ 551,431	\$ 551,431	\$ -	\$ 1,969,395	28.0%
2021	\$ 496,127	\$ 496,127	\$ -	\$ 1,771,882	28.0%
2020	\$ 511,160	\$ 511,160	\$ -	\$ 1,825,571	28.0%
2019	\$ 513,670	\$ 513,670	\$ -	\$ 1,861,125	27.6%
2018	\$ 460,212	\$ 460,212	\$ -	\$ 1,667,469	27.6%
2017	\$ 462,058	\$ 462,058	\$ -	\$ 1,691,871	27.3%
2016	\$ 527,995	\$ 527,995	\$ -	\$ 1,643,169	33.0%
2015	\$ 668,898	\$ 668,898	\$ -	\$ 1,748,324	30.2%
Teachers' Retirement System of Louisiana					
2023	\$ 4,045,878	\$ 4,045,878	\$ -	\$ 16,055,073	25.2%
2022	\$ 3,723,743	\$ 3,723,743	\$ -	\$ 14,776,758	25.2%
2021	\$ 3,828,989	\$ 3,828,989	\$ -	\$ 14,340,781	26.7%
2020	\$ 3,652,031	\$ 3,652,031	\$ -	\$ 13,678,018	26.7%
2019	\$ 4,160,476	\$ 4,160,476	\$ -	\$ 15,385,676	27.0%
2018	\$ 5,466,376	\$ 5,466,376	\$ -	\$ 16,738,375	32.7%
2017	\$ 5,197,237	\$ 5,197,237	\$ -	\$ 16,790,919	31.0%
2016	\$ 4,653,492	\$ 4,653,492	\$ -	\$ 17,210,387	28.0%
2015	\$ 5,484,551	\$ 5,484,551	\$ -	\$ 20,688,256	27.0%

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

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

Morehouse Parish School Board
Notes to Required Supplementary Information
June 30, 2023

Changes of Benefit Terms

Louisiana School Employees' Retirement System

There were no changes of benefit terms for the year ended June 30, 2023.

Teachers' Retirement System of Louisiana

There were no changes of benefit terms for the year ended June 30, 2023.

Changes of Assumptions

Louisiana School Employees' Retirement System

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

For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.0625% to 7.0%.
For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.0625% to 7.0%.
For the actuarial valuation for the year ended June 30, 2021, the discount rate was decreased from 7.00% to 6.90%.
For the actuarial valuation for the year ended June 30, 2022, the discount rate was decreased from 6.90% to 6.80%.
For the actuarial valuation for the year ended June 30, 2023, there was no change to the discount rate.

Teachers' Retirement System of Louisiana

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%.
For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.65% to 7.55%.
For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.55% to 7.45%.
For the actuarial valuation for the year ended June 30, 2021, the discount rate was decreased from 7.55% to 7.40%.
For the actuarial valuation for the year ended June 30, 2022, the discount rate was decreased from 7.40% to 7.25%.
For the actuarial valuation for the year ended June 30, 2023, the discount rate was decreased from 7.40% to 7.25%.
For the actuarial valuation for the year ended June 30, 2023, there was no change to the discount rate.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR FUNDS

Morehouse Parish School Board Nonmajor Funds Fund Descriptions

Special Revenue Funds

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

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

Morehouse Parish School Board Nonmajor Funds Fund Descriptions

Capital Projects Funds:

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

- A. School District 12 Construction is a capital project fund used to acquire and improve sites for school buildings and playgrounds, to purchase, erect, and/or improve school buildings and other school-related facilities, and to acquire the necessary equipment and furnishings for these facilities.

- B. School District 12 Bond Beekman is a capital project fund used for the purpose of acquiring, constructing, improving, maintaining, or equipping public elementary and secondary schools in the district.

**Morehouse Parish School Board
Combining Balance Sheet – Nonmajor Governmental Funds**

<i>June 30, 2023</i>	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Total
Assets			
Cash and cash equivalents	\$ 1,314,070	\$ 292,194	\$ 1,606,264
Accounts receivable	1,646,095	113	1,646,208
Internal balances	84	-	84
Total assets	\$ 2,960,249	\$ 292,307	\$ 3,252,556
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 5,790	\$ -	\$ 5,790
Salaries and wages payable	83,237	-	83,237
Internal balances	1,581,436	-	1,581,436
Other liabilities	184,210	-	184,210
Total liabilities	1,854,673	-	1,854,673
Fund Balances			
Restricted			
Instructional costs	169,549	-	169,549
Student activity funds	276,783	-	276,783
Construction and maintenance costs	659,244	-	659,244
Food services	-	-	-
Debt service	-	-	-
Capital projects	-	292,307	292,307
Total fund balances	1,105,576	292,307	1,397,883
Total liabilities and fund balances	\$ 2,960,249	\$ 292,307	\$ 3,252,556

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

<i>For the year ended June 30, 2023</i>	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Total
Revenues			
Local sources			
Ad valorem tax	\$ 530,148	\$ 156,834	\$ 686,982
Interest	6,945	3,118	10,063
Student activity fund receipts	546,573	-	546,573
State sources			
State - other revenues	429,354	-	429,354
Federal sources			
Restricted grants-in-aid	3,310,960	-	3,310,960
Total revenues	4,823,980	159,952	4,983,932
Expenditures			
Current			
Instructional			
Regular programs	343,492	-	343,492
Special education programs	378,947	-	378,947
Vocational programs	300,658	-	300,658
Other instructional programs	1,454,994	-	1,454,994
Special programs	453,798	-	453,798
Support services			
Pupil support services	154,795	-	154,795
Instructional staff	1,186,937	-	1,186,937
General administration	4,419	-	4,419
School administration	13,256	-	13,256
Business services	657	-	657
Plant services	30,343	27,353	57,696
Student transportation services	118,012	-	118,012
Central services	5,730	-	5,730
Noninstructional			
Food service operations	22,187	-	22,187
Capital outlay	33,364	-	33,364
Debt service			
Principal	-	55,000	55,000
Interest	-	41,160	41,160
Total expenditures	4,501,589	123,513	4,625,102
Excess of Revenues Over Expenditures	322,391	36,439	358,830
Other Financing Sources (Uses)			
Transfers out	(288,054)	-	(288,054)
Total other financing sources (Uses)	(288,054)	-	(288,054)
Net change in fund balances	34,337	36,439	70,776
Fund balances, beginning of year, original	1,071,239	255,868	1,327,107
Prior Period Adjustment	-	-	-
Fund balances, beginning of year, restated	1,071,239	255,868	1,327,107
Fund balances at end of year	\$ 1,105,576	\$ 292,307	\$ 1,397,883

SPECIAL REVENUE FUNDS

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

Special Revenue Funds													
<i>June 30, 2023</i>	Special Education	Title II	JAG / Vocational Education	LA 4	8 (g)	21st Century Grant	Rural Education Achievement	ROTC	East Morehouse Parish Tax District	Student Activity Funds	Miscellaneous Grants	Total Nonmajor Special Revenue Funds	
Assets													
Cash and cash equivalents	\$ -	\$ -	\$ 20,420	\$ 100,810	\$ -	\$ -	\$ -	\$ -	\$ 669,599	\$ 276,783	\$ 246,458	\$ 1,314,070	
Accounts receivable	362,524	150,679	85,371	31,555	12,112	817,309	9,918	6,474	323	-	169,830	1,646,095	
Internal balances	-	-	-	51	33	-	-	-	-	-	-	84	
Total assets	\$ 362,524	\$ 150,679	\$ 105,791	\$ 132,416	\$ 12,145	\$ 817,309	\$ 9,918	\$ 6,474	\$ 669,922	\$ 276,783	\$ 416,288	\$ 2,960,249	
Liabilities and Fund Balances													
Liabilities													
Accounts payable	\$ 908	\$ 1,113	\$ 1,946	\$ -	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ -	\$ 1,023	\$ 5,790	
Salaries and wages payable	37,051	-	13,221	11,832	12,145	-	-	4,511	-	-	4,477	83,237	
Internal balances	322,516	149,630	30,256	-	-	816,509	9,918	1,963	10,678	-	239,966	1,581,436	
Other liabilities	2,243	-	60,368	120,649	-	-	-	-	-	-	950	184,210	
Total liabilities	362,718	150,743	105,791	132,481	12,145	817,309	9,918	6,474	10,678	-	246,416	1,854,673	
Fund Balances													
Fund balances													
Restricted for													
Instructional costs	(194)	(64)	-	(65)	-	-	-	-	-	-	169,872	169,549	
Student activity funds	-	-	-	-	-	-	-	-	-	276,783	-	276,783	
Construction and maintenance costs	-	-	-	-	-	-	-	-	659,244	-	-	659,244	
Total fund balances	(194)	(64)	-	(65)	-	-	-	-	659,244	276,783	169,872	1,105,576	
Total liabilities and fund balances	\$ 362,524	\$ 150,679	\$ 105,791	\$ 132,416	\$ 12,145	\$ 817,309	\$ 9,918	\$ 6,474	\$ 669,922	\$ 276,783	\$ 416,288	\$ 2,960,249	

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

	Special Revenue Funds												Total
	Special	Title II	JAG/ Vocational Education	LA 4	8 (g)	21st Century Grant	Rural Education Achievement	ROTC	East Morehouse Parish Tax District	Student Activity Funds	Miscellaneous Grants	Revenue Funds	Nonmajor Special Revenue Funds
<i>For the year ended June 30, 2023</i>													
Revenues													
Local sources													
Ad valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 530,148	\$ -	\$ -	\$ -	\$ 530,148
Interest	-	-	-	-	-	-	-	-	6,945	-	-	-	6,945
Student activity fund receipts	-	-	-	-	-	-	-	-	-	546,573	-	-	546,573
State sources													
State - other revenues	-	-	-	91,696	62,254	-	-	-	-	-	275,404	-	429,354
Federal sources													
Restricted grants-in-aid	984,824	303,589	147,929	-	-	1,126,733	9,918	74,017	-	-	663,950	-	3,310,960
Total revenues	984,824	303,589	147,929	91,696	62,254	1,126,733	9,918	74,017	537,093	546,573	939,354	-	4,823,980
Expenditures													
Current													
Instructional													
Regular programs	-	-	-	-	-	-	-	-	170,870	-	172,622	-	343,492
Special education programs	312,299	-	-	-	-	-	9,918.00	-	56,730	-	-	-	378,947
Vocational programs	-	-	135,063	-	-	-	-	-	-	-	165,595	-	300,658
Other instructional programs	-	-	-	-	-	766,073	-	74,017	4,419	610,485	-	-	1,454,994
Special programs	-	7,220	-	91,696	62,254	-	-	-	28,069	-	264,559	-	453,798
Support services													
Pupil support services	147,164	-	-	-	-	-	-	-	7,631	-	-	-	154,795
Instructional staff	408,664	296,369	12,866	-	-	157,198	-	-	4,419	-	307,421	-	1,186,937
General administration	-	-	-	-	-	-	-	-	4,419	-	-	-	4,419
School administration	-	-	-	-	-	-	-	-	13,256	-	-	-	13,256
Business services	-	-	-	-	-	-	-	-	-	-	657	-	657
Plant services	-	-	-	-	-	-	-	-	30,343	-	-	-	30,343
Student transportation services	2,722	-	-	-	-	80,430	-	-	30,525	-	4,335	-	118,012
Central services	-	-	-	-	-	-	-	-	-	-	5,730	-	5,730
Noninstructional													
Food service operations	-	-	-	-	-	-	-	-	22,187	-	-	-	22,187
Capital outlay	-	-	-	-	-	-	-	-	33,364	-	-	-	33,364
Total expenditures	870,849	303,589	147,929	91,696	62,254	1,003,701	9,918.00	74,017	406,232	610,485	920,919	-	4,501,589
Excess of Revenues													
Over Expenditures	113,975	-	-	-	-	123,032	-	-	130,861	(63,912)	18,435	-	322,391
Other Financing Sources (Uses)													
Transfers out	(113,975)	-	-	-	-	(123,032)	-	-	-	-	(51,047)	-	(288,054)
Total other financing sources (uses)	(113,975)	-	-	-	-	(123,032)	-	-	-	-	(51,047)	-	(288,054)
Net Change in Fund Balances	-	-	-	-	-	-	-	-	130,861	(63,912)	(32,612)	-	34,337
Fund Balances at Beginning of Year	(194)	(64)	-	(65)	-	-	-	-	528,383	340,695	202,484	-	1,071,239
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund balances, beginning of year, restated	(194)	(64)	-	(65)	-	-	-	-	528,383	340,695	202,484	-	1,071,239
Fund Balances at End of Year	\$ (194)	\$ (64)	\$ -	\$ (65)	\$ -	\$ -	\$ -	\$ -	\$ 659,244	\$ 276,783	\$ 169,872	\$ -	\$ 1,105,576

CAPITAL PROJECTS FUNDS

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

<i>June 30, 2023</i>	School District 12 Construction	Total
Assets		
Cash and cash equivalents	\$ 292,194	\$ 292,194
Total assets	\$ 292,307	\$ 292,307
Fund Balances		
Fund Balances		
Restricted for		
Capital projects	\$ 292,307	\$ 292,307
Total fund balances	\$ 292,307	\$ 292,307

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

<i>For the year ended June 30, 2023</i>	School District 12 Construction	Total
Revenues		
Local sources		
Ad valorem tax	\$ 156,834	\$ 156,834
Interest	3,118	3,118
Other	-	-
Total revenues	159,952	159,952
Expenditures		
Current:		
Debt service:		
Principal	55,000	55,000
Interest	41,160	41,160
Total expenditures	123,513	123,513
Excess of revenues over expenditures	36,439	36,439
Net change in fund balances	36,439	36,439
Fund balances at beginning of year	255,868	255,868
Fund balances at end of year	\$ 292,307	\$ 292,307

**Morehouse Parish School Board
 Schedule of Compensation Paid to Board Members
 For the Year Ended June 30, 2023**

	District	Compensation
Karen T. Diel, President	1	\$ 10,200
Louis E. Melton	2	9,600
Tab Wilkerson	3	4,800
John Robert Johnson, Jr.	3	4,800
Richard W. Hixon	4	9,600
Debra A Wilson, Vice President	5	10,200
Veronica L. Tappin,	6	9,600
Adrin Williams	7	9,600
		\$ 68,400
		68,400

**Morehouse Parish School Board
Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2023**

Agency Head Name: David Gray, Superintendent

Purpose	Amount
Salary	\$ 157,126
Benefits - insurance	13,460
Benefits - retirement	34,807
Travel	496
<hr/>	
Total compensation, benefits and other payments to agency head	\$ 205,890

SINGLE AUDIT INFORMATION



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

Board Members
Morehouse Parish School Board
Bastrop, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the Morehouse Parish School Board (the “School Board”), as of and for the year ended June 30, 2023, 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 February 21, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board’s internal control.

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 were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified 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 items 2023-002 and 2023-003 to be material weaknesses.

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 2023-005 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 item 2023-001 and 2023-004.

Morehouse Parish School Board's Response to Findings

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

Purpose of this Report

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



CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana
February 21, 2025



CARR, RIGGS & INGRAM, L.L.C.

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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Morehouse Parish School Board’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Morehouse Parish School Board’s major federal programs for the year ended June 30, 2023. Morehouse Parish School Board’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Morehouse Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Morehouse Parish School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Morehouse Parish School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Morehouse Parish School Board's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

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

CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana
February 21, 2025

Morehouse Parish School Board Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Pass Through Grant Number	Expenditures	Amounts Passed Through to Subrecipients
Direct Programs:				
U.S. Department of Defense				
R.O.T.C. Language and Culture Training Grants	12.357	N/A	\$ 74,017	\$ -
Total U.S. Department of Defense			<u>74,017</u>	<u>-</u>
Pass Through Programs:				
U. S. Department of Education				
Passed through Louisiana Department of Education				
Title I Grants to Local Educational Agencies				
Grants to Local Educational Agencies	84.010	28-23-T1-34	2,968,811	-
Grants to Local Educational Agencies	84.010	28-23-DSS-34	84,941	-
Grants to Local Educational Agencies	84.010	28-21-RD19-34	436,455	-
Total I Grants to Local Educational Agencies			<u>3,490,207</u>	<u>-</u>
Special Education Cluster (IDEA):				
Special Education-Grants to States (IDEA, Part B)	84.027	28-23-B1-34	932,081	-
Special Education-Preschool Grants	84.173	28-23-P1-34	52,743	-
Special Education-Grants to States (IDEA, Part B)	84.027	28-21-JP-34	56,745	-
Total Special Education Cluster (IDEA)			<u>1,041,569</u>	<u>-</u>
COVID-19 - Education Stabilization Fund	84.425D	28-20-ESRF-34	30,008	-
COVID-19 - Education Stabilization Fund	84.425D	28-21-ES2F-34	4,898,727	-
COVID-19 - Education Stabilization Fund	84.425D	28-21-ES2I-34	52,697	-
COVID-19 - Education Stabilization Fund	84.425U	28-21-ES3F-34	6,472,297	-
COVID-19 - Education Stabilization Fund	84.425U	28-21-ESEB-34	1,021,588	-
COVID-19 - Education Stabilization Fund	84.425U	28-21-ES3I-34	39,840	-
COVID-19 - Education Stabilization Fund	84.425W	28-22-HARP-34	20,753	-
Total COVID-19 Education Stabilization Fund			<u>12,535,910</u>	<u>-</u>
Comprehensive Literacy Development	84.371	28-20-CCUB-34	18,846	-
Comprehensive Literacy Development	84.371	28-20-CCU9-34	78,013	-
Comprehensive Literacy Development	84.371	28-20-CCUK-34	15,179	-
Total Comprehensive Literacy Development			<u>112,038</u>	<u>-</u>
Supporting Effective Instruction State Grants	84.367	28-23-50-34	303,589	-
Career and Technical Education-Basic Grants to States	84.048	28-23-02-34	30,832	-
Student Support and Academic Enrichment Program	84.424	28-23-71-34	115,460	-
Twenty-First Century Community Learning Centers	84.287	28-21-2C-34	141,666	-
Twenty-First Century Community Learning Centers	84.287	28-22-2C-34	985,163	-
Total Twenty-First Century Community Learning Centers			<u>1,126,829</u>	<u>-</u>
Rural Education Achievement Program (REAP)	84.358	28-21-RLIS-34	9,918	-
School Improvement Grant	84.377	28-16-BE-34	-	-
Total U. S. Department of Education			<u>18,766,352</u>	<u>-</u>
U.S. Department of Agriculture (USDA)				
Child Nutrition Cluster				
School Breakfast Program	10.553	N/A	744,389	-
School Lunch Program	10.555	N/A	1,939,550	-
Commodities	10.555	N/A	106,770	-
Fresh Fruit and Vegetable Program	10.582	N/A	18,764	-
Total Child Nutrition Cluster			<u>2,809,473</u>	<u>-</u>
Child and Adult Care Food Program	10.558	N/A	7,838	-
Total U.S. Department of Agriculture			<u>2,817,311</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 21,657,680</u>	<u>\$ -</u>

See Notes to Schedule of Expenditures of Federal Awards

Morehouse Parish School Board
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal award programs of the Morehouse Parish School Board (the School Board). The information in the Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The School Board reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule. Because the Schedule of Expenditures of Federal Awards presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial information or change in net position of the Morehouse Parish School Board.

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2023:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 21,657,680
Total expenditures funded by other sources	45,828,588
<hr/>	
Total expenditures	\$ 67,197,541
<hr/>	

**Morehouse Parish School Board
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023**

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.

5. Matching Revenues

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

6. Noncash Programs

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

7. Federal Indirect Cost Rate

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

8. Subrecipients

Morehouse Parish School Board did not provide federal funds to any subrecipients during the year ended June 30, 2023.

9. Loans

Morehouse Parish School Board did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2023.

10. Federally Funded Insurance

Morehouse Parish School Board has no federally funded insurance.

**Morehouse Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to the financial statements noted? yes no

Federal Awards

Internal control of major programs:

- Material weaknesses identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of Auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200.516(a))? yes none reported

Identification of major federal programs:

Name of federal program of cluster	Assistance Listing Number
COVID-19 - Education Stabilization Fund	84.425D
COVID-19 - Education Stabilization Fund	84.425U
COVID-19 - Education Stabilization Fund	84.425W
Twenty-First Century Community Learning Centers	84.287
Child Nutrition Cluster	
School Breakfast Program	10.553
School Lunch Program	10.555
Commodities	10.555
Fresh Fruit and Vegetable Program	10.582
Special Education Cluster (IDEA):	
Special Education-Grants to States (IDEA, Part B)	84.027
Special Education-Preschool Grants	84.173
Special Education-Grants to States (IDEA, Part B)	84.027

Dollar threshold used to distinguish between Type A and B programs was \$750,000 for major federal programs.

Auditee qualified as a low-risk auditee for federal purposes? yes no

**Morehouse Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

Section II – Financial Statement Findings

2023-001 Late Submission of Audit Report to the Louisiana Legislative Auditor

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

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

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

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

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

Management response: The School Board has faced personnel shortages, outdated software issues, software conversions, and several other factors throughout this audit period. A plan is in place to ensure that the audit will begin on time for the 2024-2025 audit. The School Board has also engaged Woodard & Associates to aid in audit preparation and software conversion.

Anticipated completion date: Immediately

Person responsible for corrective actions:

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Bastrop, Louisiana 71221-0872
Telephone: 318-281-5784
Fax: 318-283-3456

2023-002 Account Balance Reconciliation and Adjustments

Condition: The School Board was not able to properly reconcile all accounts for the year ended June 30, 2023 and a significant number of adjustments were necessary to correct balances for inventory, fund balance, cash, and property and equipment.

Criteria: In accordance with generally accepted accounting principals (GAAP) and government auditing standards, all financial transactions should be accurately recorded and reported in a timely manner. Regular monitoring and oversight should be conducted to ensure the accuracy and reliability of financial records.

**Morehouse Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

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

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

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

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

Anticipated completion date: Immediately

Person responsible for corrective actions:

Ashley White, Child Nutrition Supervisor
Morehouse Parish School Board
P.O. Box 872
Bastrop, Louisiana 71221-0872
Telephone: 318-281-5784
Fax: 318-283-3456

2023-003 Fixed Asset Purchases

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

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

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

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

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

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

Anticipated completion date: Immediately

**Morehouse Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

Person responsible for corrective actions:

Ersula Downs, Business Manager
Morehouse Parish School Board
P.O. Box 872
Bastrop, Louisiana 71221-0872
Telephone: 318-281-5784
Fax: 318-283-3456

2023-004 EMMA filing disclosures

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

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

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

Effect: Noncompliance with all requirements of public bond offerings.

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

Management response: The School Board has consulted with bond counsel and Government Consultants to ensure that EMMA disclosures are completed and filed on time.

2023-005 Student Activity Funds

Condition: Student activity fund deposits did not agree to expected cash receipts.

Criteria or Specific Requirement: In accordance with generally accepted accounting principles (GAAP) and applicable *government auditing standards*, all deposits into student activity funds should be accurately recorded and reflect expected cash receipts. Proper documentation and reconciliation procedures should be followed to ensure that funds deposited into accounts align with the documented receipts as per the organization's records and expected income.

Cause: Preliminary investigation suggests that discrepancies may be attributed to inconsistent or incomplete recording of receipts, delays in depositing funds, or errors in cash handling and reporting by the student activity fund custodians.

**Morehouse Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

Effect: The failure to reconcile expected cash receipts with actual deposits could result in misstatements in the financial records, raising concerns over the accuracy and completeness of financial reporting. Inaccurate reporting could impact the district's ability to effectively manage student funds and create a risk of financial mismanagement or fraud.

Recommendation: It is recommended that the district implement a more stringent reconciliation process between expected cash receipts and deposits made to the student activity fund. This should include regular and timely review of deposit slips, event documentation, and receipts. Additionally, staff responsible for handling funds should receive further training on proper cash management and accounting procedures. A periodic review of these activities by internal auditors could help ensure compliance with proper accounting practices and prevent future discrepancies.

Management response: The School Board consulted with the Robinette Accounting Firm to provide training and complete audits for the 2022-2023 school year within fiscal year 2024. The Robinette firm conducted annual training for all principals, assistant principals, secretaries, bookkeepers, and sponsors.

Section III – Federal Award Findings and Responses

None

Morehouse Parish School Board Summary Schedule of Prior Audit Findings

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

Year of Origination: June 30, 2020

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

Status: Repeated in FY2023. See 2023-001

2022-002 Account Balance Reconciliation and Adjustments

Year of Origination: June 30, 2022

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

Status: Repeated in FY2023. See 2023-002

2022-003 Fixed Asset Purchases

Year of Origination: June 30, 2022

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

Status: Repeated in FY2023. See 2023-003

2022-004 EMMA filing disclosures

Year of Origination: June 30, 2022

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

Status: Repeated in FY2023. See 2023-004

2022-005 Uncollateralized cash deposits

Year of Origination: June 30, 2022

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

Status: Resolved.

**Morehouse Parish School Board
Summary Schedule of Prior Audit Findings**

Section III – Federal Award Findings and Responses

None



MOREHOUSE PARISH SCHOOL BOARD

"Obtaining Excellence in Education Through Quality Teaching"

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

Veronica Lochs-Tappin, President
District 6
Debbie Wilson, Vice President
District 5
Karen Diel
District 1
Louis Melton
District 2
Tab Wilkerson
District 3
Rick Hixon
District 4
Adrin Williams
District 7

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

DAVID GRAY
Superintendent

CORRECTIVE ACTION PLAN

Section II – Financial Statement Findings

Finding: 2023-001

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: The School Board has faced personnel shortages, outdated software issues, software conversions, and several other factors throughout this audit period. A plan is in place to ensure that the audit will begin on time for the 2024-2025 audit. The School Board has also engaged Woodard & Associates to aid in audit preparation and software conversion.

Anticipated Completion Date: March 31, 2025.

Finding: 2023-002

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: We are in agreement and should be able to focus on the audit and implement procedures to ensure information is gathered to submit the audit by the statutory December 31 deadline.

Anticipated Completion Date: March 31, 2025.

Finding: 2023-003

Responsible Contact Person: Ersula Downs, Business Manager

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

Anticipated Completion Date: March 31, 2025.

Finding: 2023-004

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: The school board has consulted with bond counsel and Government Consultants to ensure that EMMA disclosures are completed and filed on time.

Anticipated Completion Date: March 31, 2025.

Finding: 2023-005

Responsible Contact Person: Ersula Downs, Business Manager

Planning Corrective Action: The School Board consulted with the Robinette Accounting Firm to provide training and complete audits for the 2022-2023 school year within fiscal year 2024. The Robinette firm conducted annual training for all principals, assistant principals, secretaries, bookkeepers, and sponsors.

Anticipated Completion Date: March 31, 2025.

OTHER INFORMATION

Independent Accountant's Report on Applying Agreed-Upon Procedures

Board Members
Morehouse Parish School Board
Bastrop, Louisiana

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

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

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

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

- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

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

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1, 2022 roll books for those classes and observed that the class was properly classified on the schedule.

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

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

3. We obtained October 1, 2022 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

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

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2023 PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

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

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

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Morehouse Parish School Board, as required by Louisiana Revised 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 Louisiana Legislative Auditor as a public document.

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

CARR, RIGGS & INGRAM, L.L.C.

Shreveport, Louisiana
February 21, 2025

Morehouse Parish School Board
Schedule 1 – General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2023

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	6,088,729	
Other Instructional Staff Activities		520,047	
Instructional Staff Employee Benefits		3,802,343	
Purchased Professional and Technical Services		179,353	
Instructional Materials and Supplies		368,756	
Instructional Equipment		3,519	
Total Teacher and Student Interaction Activities		10,962,747	\$

Other Instructional Activities

		273,383	
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Pupil Support Activities

		1,499,277	
--	--	-----------	--

Less: Equipment for Pupil Support Activities		-	
--	--	---	--

Net Pupil Support Activities		1,499,277	
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Instructional Staff Services

		696,812	
--	--	---------	--

Less: Equipment for Instructional Staff Services		-	
--	--	---	--

Net Instructional Staff Services		696,812	
----------------------------------	--	---------	--

School Administration

		1,575,007	
--	--	-----------	--

Less: Equipment for School Administration		-	
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Net School Administration		1,575,007	
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Total General Fund Instructional Expenditures		\$	15,007,226
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Total General Fund Equipment Expenditures

	\$	1,631,645	
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Certain Local Revenue Sources

Local Taxation Revenue:

Ad Valorem Taxes			
Constitutional Ad Valorem Taxes	\$	932,915	
Renewable Ad Valorem Tax		4,202,930	
Debt Service Ad Valorem Tax		1,564,418	
Up to 1% of Collections by the Sheriff on taxes other than School Taxes		152,332	
Sales Taxes			
Sales and Use Taxes - Gross		9,123,417	
Total Local Taxation Revenue	\$	15,976,012	

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$	99,126	
Earnings from Other Real Property		36,387	
Total Local Earnings on Investment in Real Property	\$	135,513	

State Revenue in Lieu of Taxes:

Revenue Sharing-Constitutional Tax	\$	63,436	
Revenue Sharing-Other Taxes		94,523	
Total State Revenue in Lieu of Taxes	\$	157,959	

Nonpublic Textbook Revenue	\$	6,981	
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Morehouse Parish School Board
Schedule 2 – Class Size Characteristics
As of October 1, 2022

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



Morehouse Parish School Board

STATEWIDE AGREED-UPON PROCEDURES REPORT

June 30, 2023



CARR, RIGGS & INGRAM, L.L.C.

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

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Shreveport, LA 71105

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the School Board Members of the
Morehouse Parish School Board
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Morehouse Parish School Board ("MPSB") management is responsible for those C/C areas identified in the SAUPs.

The MPSB has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

Written Policies and Procedures

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

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

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

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

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

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

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

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

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

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

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

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

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

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

- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

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

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Results: Written policies and procedures do not address the system to monitor possible ethics violations and the requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

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

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

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

- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

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

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

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

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

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

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

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

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

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

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Results: CRI identified 1 exception where the reconciliation was not prepared within 2 months of the related statement closing date.

- b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

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

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

Results: CRI identified 2 exceptions where outstanding items over 12 months were not researched by management.

Collections (excluding electronic funds transfers)

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

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

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

- a) Employees responsible for cash collections do not share cash drawers/registers;

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

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

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

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

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

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

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

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

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

7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

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

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

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

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

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

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Results: CRI identified one exception where the deposit was not made within one business day of receipt.

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

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

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

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

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

- 9. For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

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

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

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

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

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

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

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

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

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

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

- a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

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

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

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

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

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

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

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

Results: CRI obtained a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period including the card numbers and the names of the persons who maintained possession of the cards and management's representation that the listing is complete.

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

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Results: CRI identified 1 exception where the reviewer and approver for all credit card statements is also an authorized card holder.

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

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

14. Using the monthly statements or combined statements selected under procedure #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: CRI identified 4 transactions that did not include written documentation of the business/public purpose with the respective receipt.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

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

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

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

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1g; and

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

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

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

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

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

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

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

- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

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

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

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

Payroll and Personnel

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

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

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

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

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

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

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

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

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

- d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

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

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

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

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

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

Ethics

21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and

- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

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

- b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

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

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

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

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

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

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

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

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

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

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

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

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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

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

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

- 28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

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

Prevention of Sexual Harassment

- 29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Results: CRI identified 3 employees did not complete the Annual Sexual Harassment training during fiscal year 2023.

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

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

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

1. Number and percentage of public servants in the agency who have completed the training requirements;
2. Number of sexual harassment complaints received by the agency;

3. Number of complaints which resulted in a finding that sexual harassment occurred;
4. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
5. Amount of time it took to resolve each complaint.

Results: CRI identified that Morehouse Parish School Board did not complete the Annual Sexual Harassment report as of February 1, 2023.

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

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

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

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

CARR, RIGGS, & INGRAM, L.L.C.

Shreveport, Louisiana
February 21, 2025



MOREHOUSE PARISH SCHOOL BOARD

"Obtaining Excellence in Education Through Quality Teaching"

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February 21, 2025

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And

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Re: Management Response to Statewide Agreed-upon Procedures

Morehouse Parish School Board's management has reviewed the Independent Accountant's Report on Applying Agreed-upon Procedures. Management is in agreement with the report as provided by Carr, Riggs & Ingram, L.L.C. In addition, Morehouse Parish School Board will implement changes/additions to policies and/or procedures where necessary to meet the expectations in the report.

Respectfully,

Ersula Downs Business Manager