

CALDWELL PARISH SCHOOL BOARD
Columbia, Louisiana

ANNUAL FINANCIAL REPORT
As of and For the Year Ended June 30, 2024

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

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INDEPENDENT AUDITORS' REPORT

Board Members
Caldwell Parish School Board
Columbia, Louisiana

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2024, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Board Members
Caldwell Parish School Board
Columbia, Louisiana

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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.

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 12, Budgetary Comparison Schedules on page 52 through 54, Schedule of Changes in Total OPEB Liability and Related Ratios on page 55, Schedule of Employer's Proportionate Share of Net Pension Liability on page 56, Schedule of Employer's Contributions to Pension Plans on page 57, and Notes to the Required Supplementary Information for Pensions on pages 58 through 59 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 Government 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 inquires 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 School Board's basic financial statements. The accompanying 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 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.

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024, on our consideration of the 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 to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Woodard & Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

December 30, 2024

**REQUIRED SUPPLEMENTARY INFORMATION
(PART A)**

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

The Management's Discussion and Analysis of the Caldwell Parish School Board's (the School Board) financial performance presents a narrative overview and analysis of the School Board's financial activities for the year ended June 30, 2024. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available). Please read this document with the School Board's financial statements, which follow the Management's Discussion and Analysis.

Caldwell Parish is located in the northeastern area of the state and has a population of approximately 9,300. The public school system includes 1 preschool, 3 elementary schools, 1 junior high school and 1 high school. The system serves approximately 1,560 students. A majority of the students participate in the free or reduced lunch program. Advanced education is easily attained from nearby vocational-technical schools, colleges, and universities.

FINANCIAL HIGHLIGHTS

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

- The School Board's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$57.3 million.
- The School Board's total revenues exceeded their total expenses by \$3.0 million for the year ended June 30, 2024.
- The general fund received \$16.3 million in funding, incurred \$16.0 million of expenditures, and had net transfers out of \$616,049, which resulted in a decrease in fund balance of \$289,248 for the year ended June 30, 2024.
- The sales tax fund accounts for the collection and distribution of the sales and use taxes in accordance with the propositions approved by the voters of Caldwell Parish. The fund balance of the sales tax fund decreased by \$65,100 during 2024 to \$157,344.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements demonstrate how we financed our services in the short-term as well as what remains for future spending. Fund statements may also give the reader insight into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds: the general fund and the sales tax fund.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

OVERVIEW OF THE FIANCIAL STATEMENTS

These financial statements consist of three sections: Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Government-wide Financial Statements

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

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

The Statement of Activities presents information showing how the 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 sick and vacation leave).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system.

The governmental activities of the School Board include activities such as instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board are governmental funds.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

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 the School Board's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing 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.

The School Board maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Sales Tax Fund, each of which are considered major funds. The remaining funds are combined into a single aggregated presentation under the label of Other Governmental Funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

NOTES TO THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position and the Statement of Activities are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private-sector business. The Statement of Net Position presents financial information on all of the School Board's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's net position and changes in net position. Increases or decreases in the School Board's net position are one indicator of whether its financial health is improving or deteriorating. The net position of the School Board as of June 30, 2024 consisted of a deficit balance of \$57.3 million. Net position increased by \$3.0 million, or 5.0%, from 2023. The Statement of Net Position and Statement of Activities reflect the School Board's governmental activities (e.g., its basic service), such as instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program ("MFP") Funds, and state and federal grants finance most of these activities.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

Our analysis below focuses on the summary of net position (Table 1) and changes in net position (Table 2) of the School Board's governmental activities. Key fluctuations include the following:

Table 1
Summary of Net Position
June 30, 2024 and 2023

	2024	2023	Variance (\$)	Variance (%)
Assets				
Current and other assets	\$ 11,653,389	\$ 11,857,728	(204,339)	-1.7%
Capital assets, net of depreciation	15,098,821	15,230,663	(131,842)	-0.9%
Total assets	26,752,210	27,088,391	(336,181)	-1.2%
Deferred outflows of resources	11,554,783	16,267,190	(4,712,407)	-29.0%
Liabilities				
Current and other liabilities	3,100,789	2,997,386	103,403	3.4%
Long-term liabilities				
Due within one year	1,307,608	1,254,511	53,097	4.2%
Due in more than one year	47,679,979	85,031,005	(37,351,026)	-43.9%
Total liabilities	52,088,376	89,282,902	(37,194,526)	-41.7%
Deferred inflows of resources	43,526,653	14,387,163	29,139,490	202.5%
Net position				
Net invested in capital assets	10,865,571	10,120,525	745,046	7.4%
Restricted	2,009,353	1,974,264	35,089	1.8%
Unrestricted	(70,182,960)	(72,409,273)	2,226,313	3.1%
Total net position (deficit)	\$ (57,308,036)	\$(60,314,484)	3,006,448	5.0%

Statement of Net Position

Current assets are comprised primarily of cash and cash equivalents which account for 30.6% of total assets. The remaining current assets, such as receivables and inventory, comprise 13.0% of total assets. Capital assets, which are reported net of accumulated depreciation, account for the remaining 56.4% of total assets. Current liabilities are comprised primarily of salaries and benefits payable, which represent 85.1% of total current and other liabilities. These amounts remained largely consistent with the prior year.

Long-term liabilities, deferred outflows of resources, and deferred inflows of resources all fluctuated significantly from 2023 to 2024, which was primarily a result of changes in investment returns and other inputs used by actuaries to measure the School Board's pension and other post-employment benefit (OPEB) liabilities and related amounts.

Unrestricted net position had a deficit of \$70.2 million at June 30, 2024, although deficit amounts related to pension and OPEB calculations were \$76.2 million. Accordingly, eliminating the deficit depends primarily on market conditions and is largely outside of the School Board's control.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

Table 2
Summary of Changes in Net Position
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>Variance (\$)</u>	<u>Variance (%)</u>
Revenues				
Program revenues				
Charges for service	\$ 30,929	\$ 25,817	\$ 5,112	19.8%
Operating grants and contributions	6,527,122	7,713,331	(1,186,209)	-15.4%
General revenues				
Ad valorem taxes	3,900,293	3,613,694	286,599	7.9%
Sales taxes	2,909,073	2,870,573	38,500	1.3%
State equalization	13,129,274	12,429,573	699,701	5.6%
Other general revenues	1,719,093	1,131,163	587,930	52.0%
Total revenues	<u>28,215,784</u>	<u>27,784,151</u>	<u>431,633</u>	<u>1.6%</u>
Expenses				
Instructional services				
Regular programs	7,634,483	10,497,414	(2,862,931)	-27.3%
Special education programs	1,724,672	2,108,651	(383,979)	-18.2%
Special programs	3,008,708	2,788,033	220,675	7.9%
Other instructional services	1,614,576	2,098,452	(483,876)	-23.1%
Support services				
Pupil support services	1,170,219	1,665,044	(494,825)	-29.7%
Instructional staff support	2,211,575	2,457,899	(246,324)	-10.0%
School administration	1,128,703	1,421,929	(293,226)	-20.6%
Plant services	2,105,316	2,248,591	(143,275)	-6.4%
Student transportation services	1,614,765	1,630,537	(15,772)	-1.0%
Other support services	1,277,584	1,627,988	(350,404)	-21.5%
Noninstructional services				
Food services	1,545,416	1,859,343	(313,927)	-16.9%
Interest on long-term debt	173,319	193,428	(20,109)	-10.4%
Total expenses	<u>25,209,336</u>	<u>30,597,309</u>	<u>(5,387,973)</u>	<u>-17.6%</u>
Increase(decrease) in net position	3,006,448	(2,813,158)	5,819,606	206.9%
Net position(deficit)—beginning	(60,314,484)	(57,501,326)	(2,813,158)	-4.9%
Net position(deficit)—ending	<u>\$ (57,308,036)</u>	<u>\$ (60,314,484)</u>	<u>\$ 3,006,448</u>	<u>5.0%</u>

Changes in Net Position

As reported in the Statement of Activities, the cost of all governmental activities this year was \$25.2 million. Some of the cost was paid by those who benefited from the program (\$30,929) or by other governments and organizations who subsidized certain programs with grants and contributions (\$6.5 million). The remaining costs of \$18.7 million were funded primarily by MFP, sales taxes, and ad valorem taxes, which generated revenues of \$13.1 million, \$2.9 million, and \$3.9 million, respectively.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

Total revenues increased by approximately \$432,000 for the year ended June 30, 2024. Notable increases included a one-time sale of timber from land owned by the School Board for approximately \$405,000 and one-time supplements from MFP totaling approximately \$570,000. Other increases include ad valorem taxes and interest earnings of approximately \$287,000 and \$141,000, respectively. These increases were offset by a \$1.2 million decrease in operating grants and contributions, primarily from the education stabilization grant program coming to a close.

Expenses decreased by approximately \$5.4 million, with pension and OPEB expenses contributing \$6.6 million toward the decrease. As previously mentioned, these amounts are determined by actuarial calculations. The remaining increase of \$1.2 million in expenses was attributed primarily to an increase in salary and benefit expenses of approximately \$501,000, depreciation expense of \$216,000, and insurance expense of \$151,000.

Major Fund Financial Analysis

The School Board's financial statements include two major funds. These funds are the general fund and sales tax fund.

The general fund's fund balance decreased by approximately \$289,000, or 4.3%, during the year ended June 30, 2024, which was primarily due to an ongoing decrease in MFP revenues while still having the same necessary expenditures. Generally speaking, it costs the same amount to educate 1,560 students as it does 1,660 students but such a decrease will account for an \$800,000 decrease. This situation has been an ongoing problem for the past several years and is not unique to other school boards, both statewide and nationwide. Revenues increased by approximately \$1.6 million, or 10.8%, which was primarily due to the aforementioned timber sale and MFP supplements. The remaining increase of approximately \$620,000 was due to increases in ad valorem taxes, interest earnings, and state equalization funds. Expenditures increased by approximately \$123,000, or 0.8%, which was primarily due to another 6% increase in health insurance costs and property insurance costs. Variances between budgeted and actual amounts include a 1.3% favorable variance of total revenues over budgeted revenues and a 0.6% unfavorable variance of total expenditures over budgeted expenditures.

During the 2024 fiscal year, the sales tax fund's expenditures of \$2.97 million exceeded revenues of \$2.91 million, which resulted in a decrease in fund balance of approximately \$65,000, or 29.3%. This decrease was primarily due to seeking to payout the same amount for the 13th check as compared to the prior year with the knowledge of the fund balance being sufficient to cover the additional \$65,000. Variances between budgeted and actual amounts include a 3.0% unfavorable variance of total revenues over budgeted revenues and a 0.9% unfavorable variance of total expenditures over budgeted expenditures.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2024, the School Board had \$15,098,821 invested in a broad range of capital assets, including land, land improvements, buildings, furniture, and equipment. This amount represents a current year net decrease (including additions, deductions, and depreciation) of \$131,842, or 0.9%, in comparison to the prior year. The decrease is due to current year depreciation expense (\$966,368) exceeding current year capital expenditures/additions (\$834,526). See the notes to the financial statements for further information.

Table 3
Summary of Capital Assets (Net of Depreciation)
As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>Variance(\$)</u>	<u>Variance(%)</u>
Land and improvements	\$ 215,318	\$ 215,318	\$ -	0.0%
Buildings	12,080,460	12,750,604	(670,144)	-5.3%
Furniture and equipment	2,803,043	2,264,741	538,302	23.8%
Total capital assets, net	<u>\$ 15,098,821</u>	<u>\$ 15,230,663</u>	<u>\$ (131,842)</u>	<u>-0.9%</u>

Long-Term Debt

At the end of the current fiscal year, the School Board had \$4.2 million in general obligation bonds payable at year end with an overall interest rate of 2.375%. The principal and interest payments are funded by the annual ad valorem tax levy on taxable property within the respective taxing districts. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2024, the School Board's bonded debt was below this amount by \$26.7 million. Refer to the notes to the financial statements for further information regarding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

As with a significant number of other school boards in the state as well as nationally, the ongoing concern is the return of students to pre-2020 numbers. Instead, the School Board continues to see an eroding of the students from its classrooms. State Funding through MFP dollars is based on student enrollment and as such, the School Board's funding will continue to decline. Note that the increases in MFP recently reflected from year to year are due to the state-funded pay raises which give an appearance of an increase when, in fact, it is a true decrease. Further decimating the financial picture is that, in addition to the decrease in revenues, expenditures for transportation, insurance, utilities and substantially all other costs have seen a higher-than-expected increase due to inflation.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Management's Discussion and Analysis (unaudited)

June 30, 2024

As a result of these factors, the School Board has budgeted a \$900,000 deficit for fiscal year 2025, which, at this point, appears to be optimistic. As mentioned previously, fiscal year 2024 would have incurred an additional \$400,000 loss had it not been for the timber sale, thus the \$289,000 loss would have been close to a \$700,000 loss. Comparing this \$700,000 prior year number to the fiscal year 2024 number of \$900,000, this additional \$200,000 loss is due to ongoing MFP decreases and higher costs due to inflation. Favorably, property insurance rates will have a slight decrease, the first decrease in recent memory.

At the current time, the State appears to not be concerned with this fiscal cliff that most school boards face or, if they are concerned, those discussions are not public.

Favorably, Caldwell Parish School Board began fiscal year 2025 with a healthy fund balance of approximately \$8.6 million from which the School Board can weather the storm in the short-term. Building this fund balance took decades to build up to this level, but with the fiscal cliff that is on the horizon, it can be reduced significantly in a few short years. Beyond fiscal year 2025 shows the elimination of ESSER funding which has enabled all school boards to push the fiscal cliff further down the road. Additionally, beginning in fiscal year 2023, the School Board began updating its rolling stock of buses with the intention of replacing two buses per year until fiscal year 2032. Two more buses were purchased in September of 2024 for approximately \$90,000 each. Due to deficit situation, the School Board elected to purchase three year old buses in order to save about \$70,000.

Favorably, it appears that a green energy plant could possibly begin operations in Caldwell Parish in the somewhat-near future. This plant could have been located in other areas of the State but its leadership actively looked for where a plant could locate to make a significant difference to an area. This plant is still in the early stages of obtaining permits and the earliest guestimate for the commencement of operations is in fiscal year 2026 or 2027. At that time, property taxes for the School Board, excluding debt service, would increase from approximately \$2.6 million to approximately \$4.8 million. The additional \$2.2 million represents 20% of the taxable base of the new plant. Beginning in the eleventh year of operation, the remaining 80% of the taxable base will result in an additional \$9,000,000 in property taxes where property taxes, in total, would be approximately \$13.8 million. Obviously, the School Board is in full support of this significant investment in the parish coupled with the collateral benefit of well-paying jobs for our current students, their ability to both live and work in this parish, and the likely benefit of economic growth supporting this plant. However, there will be a negative impact on MFP funding based on the additional tax base coming on-line and this impact is currently unknown.

Contacting the School Board's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, and students with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact David Soignier, Business Manager, at Caldwell Parish School Board, P. O. Box 1019, Columbia, Louisiana 71418, telephone number (318) 649-2689.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Statement of Net Position

June 30, 2024

Assets

Cash and cash equivalents	\$ 8,181,472
Receivables	3,423,715
Prepaid expenses and other assets	7,439
Inventory	40,763
Capital assets, not being depreciated	
Land and land improvements	215,318
Capital assets, net of depreciation	
Buildings, furniture, and equipment	14,883,503
Total assets	<u>26,752,210</u>

Deferred outflows of resources

Deferred charge on refunding bonds	295,224
Deferred charges on pensions	6,977,233
Deferred charges on OPEB	4,282,326
Total deferred outflows of resources	<u>11,554,783</u>

Liabilities

Accounts payable	137,360
Salaries and benefits payable	2,637,996
Interest payable	33,250
Unearned revenues	90,183
Other liabilities	202,000
Long-term liabilities:	
Due within one year	1,307,608
Due in more than one year	47,679,979
Total liabilities	<u>52,088,376</u>

Deferred inflows of resources

Deferred inflows on pensions	2,044,341
Deferred inflows on OPEB	41,482,312
Total deferred inflows of resources	<u>43,526,653</u>

Net position

Net investment in capital assets	10,865,571
Restricted for	
Workers' compensation	100,000
Salary improvements	157,344
School food service	213,860
Maintenance	880,603
Grant funds	34,767
Debt service	622,779
Unrestricted	(70,182,960)
Total net position	<u><u>\$ (57,308,036)</u></u>

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

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Statement of Activities

For the Year Ended June 30, 2024

Functions/programs	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instructional services				
Regular programs	\$ 7,634,483	\$ -	\$ 214,254	\$ (7,420,229)
Special education programs	1,724,672	-	203,456	(1,521,216)
Vocational programs	605,735	-	139,972	(465,763)
Other instructional programs	1,008,841	-	106,089	(902,752)
Special programs	3,008,708	-	2,733,378	(275,330)
Support services				
Pupil support services	1,170,219	-	176,887	(993,332)
Instructional staff support services	2,211,575	-	1,250,581	(960,994)
General administration	801,758	-	376,061	(425,697)
School administration	1,128,703	-	-	(1,128,703)
Business services	456,407	-	21,972	(434,435)
Plant services	2,105,316	-	31,504	(2,073,812)
Student transportation	1,614,765	-	25,941	(1,588,824)
Central services	19,419	-	-	(19,419)
Noninstructional services				
Food service operations	1,545,416	30,929	1,247,027	(267,460)
Long-term obligations				
Interest and other charges	173,319	-	-	(173,319)
Total governmental activities	\$ <u>25,209,336</u>	\$ <u>30,929</u>	\$ <u>6,527,122</u>	\$ <u>(18,651,285)</u>
General revenues				
Taxes				
Ad valorem taxes levied for				
General purposes				\$ 2,808,719
Debt service purposes				1,091,574
Sales taxes levied for				
Salaries and benefits				2,909,073
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				13,129,274
State revenue sharing				62,658
Other state revenue				5,348
Interest and investment earnings				284,409
School activity revenue				626,804
Sale of timber on school land				404,887
Other general revenues				334,987
Total general revenues				<u>21,657,733</u>
Change in net position				3,006,448
Net position at beginning of year				<u>(60,314,484)</u>
Net position at end of year				\$ <u>(57,308,036)</u>

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

FUND FINANCIAL STATEMENTS

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Balance Sheet—Governmental Funds

June 30, 2024

	Major Funds		Nonmajor Funds	Total
	GENERAL FUND	SALES TAX FUND	OTHER GOVERNMENTAL FUNDS	
Assets				
Cash and cash equivalents	\$ 6,885,987	\$ 48,495	\$ 1,246,990	\$ 8,181,472
Receivables	1,134,207	227,182	2,062,326	3,423,715
Interfund receivables	883,497	-	-	883,497
Prepaid expenses and other assets	-	-	7,439	7,439
Inventory	-	-	40,763	40,763
Total assets	\$ 8,903,691	\$ 275,677	\$ 3,357,518	\$ 12,536,886
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 57,678	\$ 4,028	\$ 75,654	\$ 137,360
Salaries and benefits payable	2,204,861	114,305	318,830	2,637,996
Interfund payables	-	-	883,497	883,497
Other liabilities	202,000	-	-	202,000
Unearned revenue	-	-	90,183	90,183
Total liabilities	2,464,539	118,333	1,368,164	3,951,036
Fund balances				
Nonspendable	-	-	48,202	48,202
Restricted	100,000	157,344	1,941,152	2,198,496
Committed	2,000,000	-	-	2,000,000
Unassigned	4,339,152	-	-	4,339,152
Total fund balances	6,439,152	157,344	1,989,354	8,585,850
Total liabilities and fund balances	\$ 8,903,691	\$ 275,677	\$ 3,357,518	\$ 12,536,886

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

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

**Reconciliation of the Balance Sheet—Governmental Funds
to the Statement of Net Position**

June 30, 2024

Total fund balances – governmental funds	\$	8,585,850
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The costs of capital assets (land, buildings, furniture and equipment) purchased or constructed are reported as expenditures in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The costs of those capital assets are allocated over their estimated useful lives as depreciation expense to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense has no effect on financial resources, it is not reported in the governmental funds.

Cost of capital assets	\$ 30,321,496	
Accumulated depreciation	<u>(15,222,675)</u>	15,098,821

Deferred outflows for refundings, other post-employment benefits, and pensions are not reported in the governmental funds but are reported in the government-wide financial statements.

Pensions	6,977,233	
Other post-employment benefits	4,282,326	
Refundings	<u>295,224</u>	11,554,783

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.

Bonds payable	(4,200,000)	
Other post-employment benefits payable	(24,420,430)	
Net pension liability	(19,457,157)	
Compensated absences payable	<u>(910,000)</u>	(48,987,587)

Interest on outstanding bonds in the governmental funds is recorded as an expenditure when paid. Bond interest in the Statement of Net Position is recognized as an expense as it accrues.

Accrued interest on outstanding bonds		(33,250)
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Deferred inflows on pensions and other post-employment benefits are not reported in the governmental funds but are reported in the government-wide financial statements.

Pensions	(2,044,341)	
Other post-employment benefits	<u>(41,482,312)</u>	(43,526,653)

Interfund loans are reported in the governmental funds as interfund receivables and payables. These amounts are eliminated in the Statement of Net Position.

Interfund receivables	(883,497)	
Interfund payables	<u>883,497</u>	<u>-</u>

Total Governmental Activities-Net Position	\$	<u>(57,308,036)</u>
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The accompanying notes are an integral part of the financial statements.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds

For the Year Ended June 30, 2024

	Major Funds		Nonmajor Funds	
	GENERAL	SALES TAX	OTHER	
	FUND	FUND	GOVERNMENTAL	Total
			FUNDS	
REVENUES				
Local sources				
Ad valorem taxes	\$ 2,111,697	\$ -	\$ 1,788,596	\$ 3,900,293
Sales and use taxes	-	2,909,073	-	2,909,073
Interest earnings	281,250	381	2,778	284,409
Food services	-	-	30,929	30,929
Other	683,197	-	634,804	1,318,001
State sources				
Equalization	13,029,274	-	100,000	13,129,274
Other	80,827	-	458,161	538,988
Federal sources	135,352	-	5,873,981	6,009,333
Total revenues	<u>16,321,597</u>	<u>2,909,454</u>	<u>8,889,249</u>	<u>28,120,300</u>
EXPENDITURES				
Current				
Instructional services				
Regular programs	6,822,901	1,155,175	298,718	8,276,794
Special education programs	1,431,751	285,402	203,456	1,920,609
Vocational programs	514,717	73,047	139,972	727,736
Other instructional programs	352,408	23,338	532,514	908,260
Special programs	190,488	407,673	2,375,740	2,973,901
Support services				
Pupil support services	944,518	145,940	176,887	1,267,345
Instructional staff support services	968,742	195,295	1,254,195	2,418,232
General administration	392,526	74,164	397,894	864,584
School administration	1,052,735	171,215	-	1,223,950
Business services	454,829	51,993	21,972	528,794
Plant services	887,322	71,391	1,189,902	2,148,615
Student transportation	1,324,735	156,099	123,577	1,604,411
Central services	48,342	3,696	-	52,038
Noninstructional services				
Food service operations	118,244	143,753	1,431,975	1,693,972
Capital outlays	490,538	-	343,988	834,526
Debt service				
Principal	-	-	870,000	870,000
Interest	-	-	121,163	121,163
Total expenditures	<u>15,994,796</u>	<u>2,958,181</u>	<u>9,481,953</u>	<u>28,434,930</u>
Excess (deficiency) of revenues over expenditures	<u>326,801</u>	<u>(48,727)</u>	<u>(592,704)</u>	<u>(314,630)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,373	-	632,422	648,795
Transfers out	(632,422)	(16,373)	-	(648,795)
Total other financing sources (uses)	<u>(616,049)</u>	<u>(16,373)</u>	<u>632,422</u>	<u>-</u>
Net change in fund balances	(289,248)	(65,100)	39,718	(314,630)
Fund balances at beginning of year	<u>6,728,400</u>	<u>222,444</u>	<u>1,949,636</u>	<u>8,900,480</u>
Fund balances at end of year	<u>\$ 6,439,152</u>	<u>\$ 157,344</u>	<u>\$ 1,989,354</u>	<u>\$ 8,585,850</u>

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

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

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

Total net change in fund balances – Governmental Funds \$ (314,630)

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 these assets is allocated over their estimated useful lives as depreciation expense for the capital assets and amortization expense for the intangible assets. This is the amount by which capital outlays exceed depreciation and amortization in the period:

Capital outlays	\$ 834,526	
Depreciation	<u>(966,368)</u>	(131,842)

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

Bond repayments		870,000
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Interest on outstanding bonds is recognized as an expenditure in the governmental funds when it is actually paid. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is actually paid.

(Increase) decrease in interest payable		6,888
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The deferred amount on refunding of bonded debt is shown as a reduction of long-term debt; however, the amount is amortized over the lesser of the life of the original bonds or the life of the refunding bonds.

Current year bond amortization		(59,044)
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In the Statement of Activities, certain operating expenses for compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

(Increase) decrease in compensated absences payable		7,998
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Certain increases and decreases related to pension and OPEB liabilities and deferred inflows and outflows are not reported in the governmental funds but are reported in the statement of activities.

Pension (expense) benefit	667,803	
Nonemployer contributions to pension plans	95,484	
OPEB (expense) benefit	<u>1,863,791</u>	2,627,078

Interfund transfers are reported in the governmental funds as other financing sources or uses. In the Statement of Activities, these amounts are eliminated.

Transfers in	(648,795)	
Transfers out	<u>\$ 648,795</u>	<u>-</u>

Change in net position of governmental activities		\$ <u>3,006,448</u>
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The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements of the Caldwell Parish School Board (School Board) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The School Board was created by Louisiana Revised Statute 17:51 to provide public education to children within Caldwell Parish. The School Board is authorized by Louisiana Revised Statute 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of seven members who are elected from seven wards for a period of four years.

The School Board operates five schools within the parish with a total enrollment of approximately 1,600 students, including Pre-K. In conjunction with the regular educational programs, some of these schools offer special and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, establishes the criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. For financial reporting purposes, the School Board's financial statements include all funds, schools, agencies and committees for which the School Board is financially accountable. The School Board is not aware of any other entities that should be included within the financial statements.

Certain units of local government, such as other independently elected officials, the parish police jury, and municipalities, are excluded from the accompanying financial statements. These units have their own elected governing authorities and are not financially accountable to the School Board.

B. Basis of Accounting and Measurement Focus

Government-wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Revenues, expenses, gains, losses, assets, deferred outflows, liabilities and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets, deferred outflows, liabilities, or deferred inflows.

General Revenues

General revenues included in the Statement of Activities derive directly from local property and sales taxes, interest and investment earning, unrestricted state and local grants, and other miscellaneous revenues. General revenues finance the remaining balance of a function not covered by program revenues.

Program Revenues

Amounts reported as *program revenues* include charges for services provided and grants and contributions. Charges for services are primarily derived from food sales and driver education courses. Operating grants and contributions consist of the grants received from federal, state, or local government; private foundation; or restricted contributions or donations. Program revenues reduce the cost of the function to be financed from the School Board's general revenues. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds reported in the fund financial statements are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the Balance Sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current net position.

Governmental funds reported in the fund financial statements are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual—that is, when they become both measurable and available to pay current period liabilities.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Such revenue items are ad valorem taxes, sales and use taxes, and federal and state entitlements. Ad valorem taxes are considered measurable and are recognized in the calendar year of the tax levy. Sales and use taxes are considered measurable and available when collected by the vendors. Revenue from state and federal grants are recorded when the reimbursable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Other post-employment benefits (OPEB) are recorded in the government-wide financial statements as a liability and expense when incurred.

C. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, and each is considered a separate accounting entity and reported in the fund financial statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures, or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The School Board uses the following fund categories and fund types:

Governmental Funds – Governmental funds account for the School Board’s general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues, and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the governmental funds that do not meet the dollar tests for major funds. The major and nonmajor governmental funds of the School Board are described below.

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 another fund and is always a major fund.

Special Revenue Funds – Special revenue funds account for and report the proceeds of specific revenue sources (other than special assessments) that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term “proceeds of specific revenue sources” establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The School Board reports the following major special revenue fund:

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

The **Sales Tax Fund** accounts for the collection and distribution of the sales and use taxes in accordance with the propositions approved by the voters of Caldwell Parish.

The School Board has 17 nonmajor special revenue funds.

Debt Service Funds - Debt service funds accounts for and report the financial resources that are restricted, committed, or assigned to expenditures for principal and interest. The School Board has 1 nonmajor debt service fund.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in interest-bearing and non-interest-bearing demand deposits and bank certificates of deposit as well as short-term investments with a maturity date within three months of the date acquired. Bank certificates of deposit can be cashed out at any time and, as such, are considered cash equivalents regardless of time to maturity. They are stated at cost, which approximates fair value. Short-term investments are also stated at cost, which approximates fair value. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. Short-Term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables or interfund payables on the fund financial statements' Balance Sheet. Short-term interfund loans are also classified as interfund receivables or payables.

F. Eliminations and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided and used by the various governmental funds have not been eliminated in the process of aggregating data.

G. Inventory and Prepaid Items

Inventory of the school food service special revenue fund consists primarily of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as deferred revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Prepaid items are also accounted for using the consumption method where expenditures are recognized as the prepaid item expires with the passage of time. Prepaid expenses at year-end primarily consisted of prepaid insurance and prepaid employee benefits.

H. Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, and construction-in-progress, are reported in the government-wide financial statements. The School Board considers assets with an initial individual cost of at least \$5,000 and an estimated useful life of at least 1 year as a capital asset.

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's best 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 estimated useful lives:

Buildings and improvements	10-40 years
Furniture and equipment	3-15 years
Intangibles	3 years

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

I. Unearned Revenue

The School Board reports unearned revenue on its Statement of Net Position and on the fund financial statements' Balance Sheet. Unearned revenue will arise when the School Board receives resources before qualifying events have occurred to allow it to be recognized as revenue at the end of the current period, as when grant monies are received and available to spend in the current period but cannot be recognized as revenue until the qualifying expenditures are incurred in accordance with GAAP. In subsequent periods, when the qualifying expenditures are incurred, the liability for unearned revenue is removed from the governmental funds' Balance Sheet and the revenue is recognized as earned.

J. Interfund Activity

Interfund activities are reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation to the government-wide financial statements. Reimbursements occur between funds when one fund incurs a cost that benefits another fund, and the benefiting fund reimburses the fund incurring the cost for the benefit received. All other interfund transactions are treated as transfers. Transfers between governmental funds are eliminated as part of the reconciliation to the government-wide financial statements.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

K. Compensated Absences

Twelve-month full-time employees accumulate one day of vacation per month. For the purpose of calculating and apportioning annual leave, the “leave year” shall run from July 1st to June 30th. No more than 30 days of vacation leave may be accumulated as of June 30th. Upon termination, resignation, or retirement, any unused annual leave shall be paid at the employee’s rate of pay. The maximum number of days the system shall pay an employee for is 30 days.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or the employee’s estate at the employee’s current rate of pay. Under the Louisiana Teachers’ Retirement System, and the Louisiana School Employees’ Retirement System, all unpaid leave is used in the retirement benefit computation as earned service.

The School Board’s recognition and measurement criterion for compensated absences follows:

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

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments or funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave. The School Board makes the assumption that employees who have a minimum experience of 10 years will become eligible in the future to receive their accrued sick leave.

Sick and annual leave are reported in the Statement of Net Position as a long-term liability and expensed in the Statement of Activities. Sick and vacation leave accrued in the Statement of Net Position as of the end of the fiscal year are valued at employees’ current rates of pay. Neither the School Board nor the employees are required to contribute to the retirement system for sick and annual leave payments. Accrued sick and vacation leave will be paid from future years’ resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire. A current liability for sick and annual leave is reported in the governmental funds only if it is due and payable as of year-end as the result of an employee’s retirement during the fiscal year.

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For the Year Ended June 30, 2024

L. Long-Term Liabilities

Bond premiums and discounts, as well as issuance costs, are recognized in the fund financial statements in the period the bonds are issued. Bond proceeds are reported as an other financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Deferred gains on refunding are capitalized and amortized over the life of the refunding in the government-wide financial statements.

In the government-wide financial statements, bond premiums are reported on the Statement of Net Position net of amortization and are amortized over the life of the bonds. Bond proceeds are reported in the government-wide financial statements as a long-term liability.

The School Board provides certain continuing medical, dental, vision and life insurance benefits for its retired employees. The other post-employment (OPEB) benefits plan is a single employer, defined benefit “substantive plan” as understood by past practices of the School Board. The current cost of other post-employment benefits is recognized in the fund financial statements in the year earned.

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

M. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. *Deferred outflows* represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. These have a positive effect on net position and are similar to assets. The School Board has three items that qualify for reporting in this category; the deferred charge on refunding, the deferred outflows on pensions, and the deferred outflows on OPEB, and are reported in the government-wide Statement of Net Position. The deferred charge on refunding is the result of the difference in the carrying value of refunded debt and its reacquisition price for bond issues that were refunded in previous fiscal periods. This amount is deferred and amortized over the life of the refunding bond issues.

In addition to liabilities, a separate section for deferred inflows of resources is reported in the Statement of Net Position. *Deferred inflows* represent an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These have a negative effect on net position and are similar to liabilities. The School Board has two items that are reported in this category: deferred inflows on pensions and deferred inflows on OPEB. These amounts are reported as deferred and recognized as an inflow of resources in the period the amounts become available.

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N. Equity Classifications

Government-wide Financial Statements

Equity is classified as “net position” in the government-wide financial statements. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net position is shown in three classifications in the Statement of Net Position:

- **Net investment in capital assets** – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets, and any related interest payable.
- **Restricted net position** – Consists of net position with constraints placed on the use whether by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The following net positions are considered restricted:
 - Debt service resources from sales and use taxes and ad valorem taxes levied specifically to meet the principal and interest payments of various general obligation and revenue bond issues via an approved public referendum in accordance with state law and bond covenants with investors.
 - Available resources from ad valorem taxes levied specifically for use in School Board maintenance, operations, and construction.
 - Available resources from sales taxes specifically dedicated by taxing propositions approved by voters for the payment of supplemental salaries and benefits to employees.
 - Investments held by the Louisiana Workforce Commission as surety for payment of workers compensation claims of self-insured employers, as promulgated under Louisiana Revised Statute 23:1168.
- **Unrestricted Net Position** – All other net positions that do not meet the definition of “restricted” or “net investments in capital assets”.

Sometimes the School Board will make expenditures 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 practice to consider restricted net position to have been depleted before unrestricted net position is applied.

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Fund Financial Statements

In the fund financial statements, equity is classified as “fund balance”. Fund balance is the difference between assets and liabilities. Fund balance is classified according to its useful purpose or function of restriction at year-end in one or more of the following categories:

- **Nonspendable Fund Balance** – Represents resources that cannot be physically used to settle obligations of the school system, such as food inventory or prepaid expenses.
- **Restricted Fund Balance** – Represents resources restricted by enabling legislation, state or federal laws, tax ordinances or by local, state, or federal grant regulations for future use and are, therefore, not available for future appropriation or expenditure.
- **Committed Fund Balance** – Indicates the School Board’s plans for the use of financial resources in a future period for specific purposes determined by the School Board, the highest level of the government’s decision-making authority. Fund balance commitments are made by formal actions of the School Board in the form of a resolution, ordinance, or action approved by the majority vote of the School Board in an open meeting prior to the end of the fiscal year. Once adopted, the limitation imposed by the instrument remains in place until a similar action is taken to remove or revise the limitation.
- **Assigned Fund Balance** – Those determined by the Board of the Finance Committee, under authority given under a resolution of the Board, as needed for the payment of specific purposes but are not restricted or committed.
- **Unassigned Fund Balance** – The remaining fund balance in the General Fund after all classifications have been made in the previously described fund balance categories. Unassigned fund balance is only reported in the General Fund. However, a negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

Sometimes the School Board will make expenditures 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 practice 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.

The School Board has not established through board resolution unassigned fund balance requirements.

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O. Sales and Use Taxes

On April 7, 1979, the voters of Caldwell Parish approved a one percent sales and use tax to be levied by the Caldwell Parish School Board. The sales and use tax is collected by the Concordia Parish School Board and remitted to the Caldwell Parish School Board. The funds are then deposited in the sales tax special revenue fund.

On January 18, 1997, the voters of Caldwell Parish approved a one percent sales and use tax to be levied by the Caldwell Parish School Board. The sales and use tax is collected by the Concordia Parish School Board and remitted to the Caldwell Parish School Board. The funds are then deposited in the sales tax special revenue fund.

The proceeds of said taxes (after paying reasonable and necessary costs and expenses of collecting and administering the tax) are to be dedicated and used to supplement other revenues available for the payment of salaries and retirement benefits for certified and noncertified employees of the School Board.

P. Encumbrances

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

Q. Levied Taxes

The School Board levies taxes on real and business personal property located within Caldwell Parish. Property taxes are levied by the School Board on property values assessed by the Caldwell Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Caldwell Parish Sheriff's Office (CPSO) bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

The 2023 property tax calendar is as follows:

Levy date	January 1, 2023
Tax bills mailed	October 25, 2023
Due date	December 31, 2023
Lien date	January 1, 2024

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

10% land	15% industrial improvements
15% machinery	15% commercial improvements
10% residential improvements	25% public service properties, excluding land

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A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2024, and is done every four years. Total assessed value was \$88,439,214 in calendar year 2023. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. The homestead exemption was \$15,565,814 of the assessed value in calendar year 2023.

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

All property taxes are recorded in the general fund, maintenance fund, and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. The School Board uses the lien date to establish the enforceable legal claim date. Historically, virtually all ad valorem taxes receivable are collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the property taxes occurs in December, and January and February of the following year. There are taxes that have been paid in protest by one taxpayer that accounts for approximately 10% of property taxes. Tax year 2018 had a similar claim that was resolved in favor of Caldwell Parish. Tax years 2019 through 2023 are also being challenged by this taxpayer, although he remitted payment to the CPSO until the lawsuit is resolved. The legal basis for filing the claim is the same as it was in 2018, therefore it is deemed reasonable to include these amounts in receivables. These amounts are shown as receivables in the government-wide financial statements as well as the fund financial statements, since their exclusion from the fund financial statements would lead the reader to an unrealistic view of the School Board's financial status.

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	Adjusted Maximum Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Constitutional	5.44	5.44	Indefinite
Maintenance	7.27	7.27	2033
Operations, maintenance, and construction	5.43	5.43	2026
Operations and maintenance	8.97	8.97	2025
Operations	11.40	11.40	2026
Bond repayment	Variable	15.53	2027

CALDWELL PARISH SCHOOL BOARD

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Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

R. Use of Estimates

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

S. New and Upcoming Accounting Pronouncements

The following is a summary of accounting standards recently adopted by the Governmental Accounting Standards Board (GASB) that have been implemented or are scheduled to be implemented in the future that may affect the School Board:

GASB Statement No. 101. *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and for leave that has been used but not yet paid. This Statement is effective for fiscal years beginning after June 15, 2023. The School Board has included the applicable requirements in its June 30, 2024 financial statements.

GASB Statement No. 102. *Certain Risk Disclosures*. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. It is effective for fiscal years beginning after June 15, 2024. The School Board will include the applicable requirements in its June 30, 2025 financial statements.

Note 2 – Cash and Cash Equivalents

Custodial credit risk - deposits. The School Board's cash and cash equivalents consist of deposits with financial institutions.

The following is a schedule of the School Board's cash and cash equivalents at June 30, 2024. Differences between School Board balances and the bank balances arise because of the net effect of deposits-in-transit and outstanding checks.

	School Board Balance	Bank Balance
Cash		
Demand deposits - checking	\$ 1,419,217	\$ 3,951,634
Money market	3,762,255	3,762,255
Total cash	<u>5,181,472</u>	<u>7,713,889</u>
Cash equivalents		
Certificates of deposit	<u>3,000,000</u>	<u>3,000,000</u>
Total cash equivalents	<u>3,000,000</u>	<u>3,000,000</u>
Total cash and cash equivalents	<u>\$ 8,181,472</u>	<u>\$ 10,713,889</u>

CALDWELL PARISH SCHOOL BOARD

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For the Year Ended June 30, 2024

The School Board's deposits were collateralized as follows:

Federal Deposit Insurance	\$ 3,002,921
Pledged securities	7,710,968
Total collateralized deposits	<u>\$ 10,713,889</u>

Louisiana Revised Statute 39:1225 requires the School Board to insure its bank balances from loss against custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the School Board's deposits may not be returned. The School Board had total deposits of \$10,713,889, of which \$3,002,921 was insured by Federal Depository Insurance (FDIC) and the remaining \$7,710,968 was covered by securities held as collateral by the trust department of agents of custodial banks in the name of the School Board at year-end.

Credit risk. The School Board invests in certificates of deposit which do not have credit ratings. The School Board's policy does not address credit rate risk.

Concentration of credit risk. The School Board does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentration.

Interest rate risk. The School Board manages its exposure to declines in fair values by limiting the maturity of its certificates of deposit to no longer than one year.

Note 3 – Receivables

The receivables of \$3,423,715 at June 30, 2024, as reported in the fund financial statements are as follows:

	General Fund	Sales Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
Intergovernmental				
Federal	\$ -	\$ -	\$ 1,050,008	\$ 1,050,008
State	14,256	-	86,577	100,833
Local sources				
Ad valorem taxes	1,057,328	-	925,741	1,983,069
Sales and use taxes	-	227,182	-	227,182
Other	62,623	-	-	62,623
Total receivables	<u>\$ 1,134,207</u>	<u>\$ 227,182</u>	<u>\$ 2,062,326</u>	<u>\$ 3,423,715</u>

All governmental receivables are expected to be collected within the next fiscal year and therefore, no allowance for doubtful accounts is recorded. The \$1,983,069 receivable for ad valorem taxes reflects taxes paid in protest by a taxpayer for which the School Board's attorney believes Caldwell Parish will again prevail.

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Note 4 – Capital Assets

The changes in capital assets during the fiscal year were as follows:

	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024
Capital assets, nondepreciable				
Land	\$ 144,828	\$ -	\$ -	\$ 144,828
Land improvements	70,490	-	-	70,490
Total nondepreciable capital assets	<u>215,318</u>	<u>-</u>	<u>-</u>	<u>215,318</u>
Capital assets, depreciable				
Buildings	24,555,888	-	(38,888)	24,517,000
Furniture and equipment	<u>5,268,382</u>	<u>834,526</u>	<u>(513,730)</u>	<u>5,589,178</u>
Total depreciable capital assets	<u>29,824,270</u>	<u>834,526</u>	<u>(552,618)</u>	<u>30,106,178</u>
Less: Accumulated depreciation				
Buildings	11,959,990	515,438	(38,888)	12,436,540
Furniture and equipment	<u>2,848,935</u>	<u>450,930</u>	<u>(513,730)</u>	<u>2,786,135</u>
Total accumulated depreciation	<u>14,808,925</u>	<u>966,368</u>	<u>(552,618)</u>	<u>15,222,675</u>
Capital assets, net	<u>\$ 15,230,663</u>	<u>\$ (131,842)</u>	<u>\$ -</u>	<u>\$ 15,098,821</u>

Depreciation expense was charged to governmental activities as follows:

Instructional services:	
Regular programs	\$ 574,131
Vocational programs	1,180
Other instructional programs	174,817
Special programs	90,672
Support services:	
General administration	9,215
Plant services	38,524
Student transportation services	70,052
Non-instructional services:	
Food service operations	<u>7,777</u>
Total depreciation expense	<u>\$ 966,368</u>

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Note 5 – Pension Plans

General Information about the Pension Plan

Plan Descriptions

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System Louisiana ("TRSL") or the Louisiana School Employees' Retirement System ("LSERS"), both of which are administered on a statewide basis. 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 and www.lservers.net, respectively.

Benefits Provided

TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information. Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% annual accrual rate at age 62 with at least 5 years of service, or at any age with at least 20 years of service. Members who were first eligible to join and hired between January 1, 2011 and June 30, 2015 may retire with a 2.5% annual accrual rate at age 60 with at least 5 years of service, or at any age with at least 20 years of service. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service, or at any age with 30 years of service. Plan A is closed to new entrants. Plan B - Members hired before July 1, 2015 may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service. Members first eligible to join and hired on or after July 1, 2014 may retire with a 2.0% annual accrual rate at age 62 with at least 5 years of service, or at any age with at least 20 years of service.

For all plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable accrual rate, and by the years of creditable service. For Regular Plan and Lunch Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

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A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or as a lump sum that can't exceed 36 months of the members' maximum monthly benefit amount. Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

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

Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible. Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education. A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

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As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

The Optional Retirement Plan (ORP) was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement. The ORP is a defined contribution pension plan which provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

LSERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Membership is mandatory for all persons employed by a Louisiana parish or city school board who work more than 20 hours per week as a school bus operator, school janitor, school custodian, school maintenance employee, school bus aide, a monitor or attendant, or any other regular school employee who works on a school bus helping with the transportation of school children. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010. All temporary, seasonal, and part-time employees as defined in Federal Regulations 26 CFR 31:3121(b)(7)-2 who have less than 10 years of creditable service are not eligible for membership in the System. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

Benefit provisions are authorized and amended under Louisiana Revised Statutes. Benefit provisions are dictated by LA R.S. 11:1141 - 11:1153. A member who joined the System on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the System on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit. For members who joined the System prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service.

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For members who joined the System on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who join the System on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the Plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A member who joins the System on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits.

Upon the death of a member with five or more years of creditable service, the System provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

Members of the System may elect to participate in the Deferred Retirement Option Plan, (DROP) and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the system terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the System. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account. The System maintains subaccounts within this account reflecting the credits attributed to each participant in the System. Interest credited and payments from the DROP account are made in accordance with LA R.S. 11:1152(F)(3). Upon termination of participation in both the System and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The System also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with LA R.S. 11:1152(F)(3).

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For the Year Ended June 30, 2024

Contributions

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

The rates in effect during the fiscal year ended June 30, 2024 were as follows:

TRSL Sub Plan	Contribution Rates	
	School Board	Employees
K-12 Regular Plan	24.1%	8.0%
Lunch Plan A	24.1%	9.1%

The School Board's contractually required composite contribution rate for the year ended June 30, 2023 was 24.1% 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 \$2,688,581 for the year ended June 30, 2024.

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 actual employer rate for the year ended June 30, 2024 was 27.6%. Contributions to the pension plan from the School Board were \$226,401 for the year ended June 30, 2024.

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, 2023 and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations 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.

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For the Year Ended June 30, 2024

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans at June 30, 2024, the proportion at June 30, 2023 (the measurement date), and the change compared to the June 30, 2022 proportion.

	Net Pension Liability at June 30, 2024	Proportion at June 30, 2023	Increase(Decrease) from June 30, 2022 Proportion
TRSL	\$ 18,160,219	0.200901%	(0.008919%)
LSERS	1,296,938	0.214375%	(0.053735%)
	<u>\$ 19,457,157</u>		

The following table reflects the School Board's recognized pension expense for the year ended June 30, 2024 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 plan year ended June 30, 2023.

	Pension Expense	Amortization	Total
TRSL	\$ 2,055,707	\$ 144,305	\$ 2,200,012
LSERS	49,459	(2,293)	47,166
Total	<u>\$ 2,105,166</u>	<u>\$ 142,012</u>	<u>\$ 2,247,178</u>

At June 30, 2024, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
TRSL		
Differences between expected and actual experience	\$ 852,854	\$ (1,031)
Changes in assumptions	819,054	(592,163)
Net difference between projected and actual earnings on pension plan investments	1,243,132	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,091,290	(1,172,861)
Employer contributions subsequent to the measurement date	2,688,581	-
Total TRSL	<u>\$ 6,694,911</u>	<u>\$ (1,766,055)</u>

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For the Year Ended June 30, 2024

<u>LSERS</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 37,435	\$ -
Changes in assumptions	17,319	(49,010)
Net difference between projected and actual earnings on pension plan investments	-	(52,331)
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,167	(176,945)
Employer contributions subsequent to the measurement date	226,401	-
Total LSERS	\$ 282,322	\$ (278,286)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
TRSL	\$ 6,694,911	\$ (1,766,055)
LSERS	282,322	(278,286)
Totals	<u>\$ 6,977,233</u>	<u>\$ (2,044,341)</u>

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2025. The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
TRSL	\$ 2,688,581
LSERS	226,401
	<u>\$ 2,914,982</u>

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

<u>Year Ending</u>	<u>TRSL</u>	<u>LSERS</u>	<u>Total</u>
June 30, 2025	\$ 579,749	\$ (197,093)	\$ 382,656
June 30, 2026	(109,806)	(87,028)	(196,834)
June 30, 2027	1,821,413	66,359	1,887,772
June 30, 2028	(51,081)	(4,603)	(55,684)
Totals	<u>\$ 2,240,275</u>	<u>\$ (222,365)</u>	<u>\$ 2,017,910</u>

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For the Year Ended June 30, 2024

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024 are as follows:

	TRSL	LSERS
Valuation Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	
Actuarial Assumptions:		
Expected Remaining Service Lives	5 years	2 years
Investment Rate of Return	7.25% net of investment expenses*	6.80% net of investment expenses
Inflation Rate	2.4% per annum.	2.50%
Salary Increases	2.41-4.85% varies depending on duration of service.	3.75% based on the 2023 experience study (for the period 2018-2022) of the System's members.
Cost of Living Adjustments	None	Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outlined by ACT 399 of 2014.
Mortality	Active members – Pub2010T-Below Median Employee (amount weighted) tables for males and females, adjusted by 0.965 for males and by 0.942 for females.	Pub-2010 Median Healthy Retiree Tables, Pub-2010 General Below Median Sex Distinct Employee Table, Pub-2010 Non-Safety Dis-abled Retiree Sex Distinct Table

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For the Year Ended June 30, 2024

Non-Disabled retiree/
inactive members –
Pub2010T-Below Median
Retiree (amount weighted)
tables for males and females,
adjusted by 1.173 for males
and by 1.258 for females.
Disability retiree mortality –
Pub2010T-Disability
(amount weighted) tables for
males and females, adjusted
by factors of 1.043 for males
and by 1.092 for females.
Contingent survivor mortality
– Pub2010T-Below Median –
Contingent Survivor (amount
weighted) tables for males
and females, adjusted by
factors of 1.079 for males and
by 0.919 for females. These
base tables are adjusted from
2010 to 2019 (base year,
representing the midpoint of
the experience study) with
continued future mortality
improvement using the MP-
2021 improvement table on a
fully generational basis.

Termination, Disability, and Retirement

Projected based on a five- N/A
year (2018–2022) experience
study of the System's
members.

* The investment rate of return used in the actuarial valuation for funding purposes was 7.6%, recognizing an additional 35 basis points for gain sharing. Per Act 94 of 2016, noninvestment-related administrative expenses are directly funded with employer contributions as a percentage of projected payroll.

The following table lists the methods used by each of the pension plans in determining the long-term rate of return on pension plan investments:

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TRSL

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. The resulting geometric nominal expected rate of return is 8.72% for 2023.

LSERS

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

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, 2023:

	Target Allocation	Long-term Expected Real Rate of Return
TRSL		
Domestic Equity	22.5%	4.55%
International Equity	11.5%	5.01%
Domestic Fixed Income	8.0%	2.20%
International Fixed Income	6.0%	(0.29%)
Private Assets	37.0%	8.24%
Other Private Assets	15.0%	4.32%
Total	<u>100.0%</u>	
LSERS		
Fixed Income	26.0%	0.97%
Equities	39.0%	2.84%
Alternatives	23.0%	1.89%
Real Estate	12.0%	0.61%
Total	<u>100.0%</u>	<u>6.31%</u>
Inflation		<u>2.40%</u>
Expected arithmetic nominal return		<u>8.71%</u>

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For the Year Ended June 30, 2024

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, 2024.

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.

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>
TRSL			
Discount rate	6.25%	7.25%	8.25%
Share of NPL	\$ 25,724,614	\$ 18,160,219	\$ 11,796,150
LSERS			
Discount rate	5.80%	6.80%	7.80%
Share of NPL	\$ 1,862,035	\$ 1,296,938	\$ 812,497

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, 2024, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$95,484 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, 2024.

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 and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: www.la.gov.

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Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Payables to the Pension Plan

At June 30, 2024, the School Board had payables to TRSL of \$914,595 and to LSERS of \$68,348, for June 2024 employee and employer legally required contributions. These amounts are included in salaries and benefits payable.

Note 6 – Other Post-Employment Benefits

General Information about the OPEB Plan

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

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

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.

Employees covered by benefit terms – As of July 1, 2023, the date of the actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	205
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	230
Total	<u>435</u>

Total OPEB Liability

The School Board's total OPEB liability of \$24,420,431 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

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For the Year Ended June 30, 2024

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.30%
Salary increases including inflation	3.00%
Discount rate	3.93%
Healthcare cost trend rates	Ranging from 3.70% to 7.10%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on the following: Pre-retirement: PUB-2010 General Employees Amount-Weighted Table with IRS 2024 adjusted Mortality Improvement Scale MP-2021 on a generational basis with healthy annuitant rates after benefit commencement. Post-retirement: PUB-2010 General Retirees Amount-Weighted Table with IRS 2024 adjusted Mortality Improvement Scale MP-2021 on a generational basis. Disability retirement: PUB-2010 General Retirees Amount-Weighted Table with IRS 2024 adjusted Mortality Improvement Scale MP-2021 on a generational basis. Survivor: PUB-2010 Contingent Survivors Amount-Weighted Table with IRS 2024 adjusted Mortality Improvement Scale MP-2021 on a generational basis.

The plan has not had a formal actuarial experience study performed.

Changes in the Total OPEB Liability:

Balance at June 30, 2023	<u>\$ 58,482,307</u>
Changes for the year:	
Service cost	1,931,653
Interest	2,181,091
Effect of economic/demographic gains and losses	(4,526,701)
Effect of assumption changes or inputs	(32,319,943)
Benefit payments	<u>(1,327,977)</u>
Net changes	<u>(34,061,877)</u>
Balance at June 30, 2024	<u>\$ 24,420,430</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) and one percentage point higher (4.93%) than the current discount rate (3.93%).

	1% Decrease 2.93%	Discount Rate 3.93%	1% Increase 4.93%
Total OPEB Liability	<u>\$ 28,062,210</u>	<u>\$ 24,420,430</u>	<u>\$ 21,467,692</u>

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For the Year Ended June 30, 2024

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

The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	<u>\$ 21,494,871</u>	<u>\$ 24,420,430</u>	<u>\$ 28,033,679</u>

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

For the year ended June 30, 2024, the School Board recognized an OPEB benefit of \$535,814. At June 30, 2024, the School Board reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,135,008	\$ (3,800,104)
Changes of assumptions	3,147,318	(37,682,208)
Total	<u>\$ 4,282,326</u>	<u>\$ (41,482,312)</u>

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2025	\$ (5,547,649)
2026	(8,951,739)
2027	(8,910,889)
2028	(6,489,656)
2029	(5,939,743)
Thereafter	(1,360,310)

Note 7 – General Long-Term Obligations

The following table presents a summary of bonded indebtedness during the fiscal year:

<u>Original Issue</u>	<u>Issue Date</u>	<u>Original Borrowing</u>	<u>Interest Rate to Maturity</u>	<u>Interest to Maturity</u>	<u>Final Maturity</u>	<u>Outstanding June 30, 2024</u>
<u>General obligation bonds</u>						
Series 2016 - Refunding	6/1/2016	\$8,665,000	2.375%	<u>\$ 279,538</u>	2029	<u>\$ 4,200,000</u>
Total general obligation bonds				<u>\$ 279,538</u>		<u>\$ 4,200,000</u>

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Bond principal and interest are due in total, to maturity, as follows:

<u>Year Ended June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2025	\$ 890,000	\$ 99,750	\$ 989,750
2026	925,000	78,613	1,003,613
2027	955,000	56,644	1,011,644
2028	985,000	33,963	1,018,963
2029	445,000	10,569	455,569
Total	<u>\$ 4,200,000</u>	<u>\$ 279,538</u>	<u>\$ 4,479,538</u>

The following is a summary of governmental activities long-term obligation transactions for the year ending June 30, 2024:

<u>Long-Term Obligations</u>	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2024</u>	<u>Amounts Due Within One Year</u>
G.O. bonds	\$ 5,070,000	\$ -	\$ 870,000	\$ 4,200,000	\$ 890,000
Net pension liability	21,815,211	-	2,358,054	19,457,157	-
OPEB liability	58,482,307	-	34,061,877	24,420,430	-
Compensated absences	917,998	660,321	668,319	910,000	417,608
Total	<u>\$ 86,285,516</u>	<u>\$ 660,321</u>	<u>\$ 37,958,250</u>	<u>\$ 48,987,587</u>	<u>\$ 1,307,608</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2024, the School Board had accumulated \$622,779 in the debt service fund for future debt service requirements.

The general obligation bonds are obligations of Caldwell Bond District, with maturities from 2020 to 2029 and an interest rate of 2.375%. General obligation bonds' principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the respective taxing districts. In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term general obligation bonded debt in excess of 35% of the total assessed value of all property in the taxing district. At June 30, 2024, the statutory limit was \$30,953,725 (35% of the assessed value of \$88,439,214). The School Board's outstanding debt at June 30, 2024 is \$4,200,000 which results in an available margin of \$26,753,725.

Compensated absences, OPEB and net pension liabilities attributable to the governmental activities will be liquidated mainly by the general fund.

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Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 8 – Interfund Transactions

Individual balances due to/from other funds at June 30, 2024 were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 883,497
Total		<u>\$ 883,497</u>

The interfund receivable and payable balances are due to timing differences between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. The general fund pays the obligations of expenditure reimbursement grants until a claim is filed and payment is received. All interfund receivables and payables will be completed during the 2024-25 fiscal year.

Interfund transfers for the year ended June 30, 2024 were as follows:

Receiving Fund	Paying Fund	Amount
General Fund	Sales Tax Fund	\$ 16,373
Nonmajor Governmental Funds	General Fund	632,422
Total		<u>\$ 648,795</u>

The interfund transfer of \$16,373 from the Sales Tax Fund to the General Fund was done to cover the shortage of the mandated \$2,000 and \$1,000 transfers. The State provided \$507,255 but \$523,628 was required for the payout. The Board approved the transfer from the Sales Tax Fund since that was the only fund available to cover the shortage.

The interfund transfer of \$632,422 from the General Fund to the Maintenance Fund was made to cover the insurance costs expended from the Maintenance Fund.

Note 9 – Nonspendable, Restricted, Committed, & Assigned Fund Balances (FFS level only)

The following governmental funds' fund balances are nonspendable, legally restricted, committed, or assigned for the following purposes:

NONSPENDABLE	Purpose	Balance 6/30/2024
Nonmajor Funds		
Special Revenue Funds		
School Food Service	Food inventory	36,505
Educational Excellence	Prepaid expenses	7,439
Total Nonspendable Fund Balance		<u>\$ 48,202</u>
		(continued)

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RESTRICTED	Purpose	Balance 6/30/2024
Major Funds		
General Fund	Workers' compensation	\$ 100,000
Sales Tax Fund	Employee salaries and benefits	157,344
Nonmajor Funds		
Special Revenue Funds		
School Food Service	School food service	173,097
Maintenance	Maintenance & operations	880,603
School Activity	School activities	237,345
Educational Excellence	Educational purposes	7,047
Other Local Funds	Various	20,281
Debt Service Fund		
Debt Service	Bonded debt principal & interest	622,779
Total Restricted Fund Balance		\$ 2,198,496
COMMITTED	Purpose	Balance 6/30/2024
Major Funds		
General Fund	Employee salaries and benefits	\$ 2,000,000
Total Committed Fund Balance		\$ 2,000,000
		(concluded)

Note 10 – Litigation and Contingencies

The School Board has resolved all litigations. There are no pending cases against the School Board at this time.

As with the majority of all other school boards within the state, the Caldwell Parish School Board is substantially dependent upon federal, state and local funding. The loss or reduction of these funding sources would have a significant impact on its operations.

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

Note 11 – Risk Management

The School Board initiated a risk management program for workers' compensation in 1991. It joined a pool of certain school boards in Northeast Louisiana in order to share workers' compensation cost. The School Board's share of risk is determined by calculating its percentage of the total manual premium of the group. The risk allocated to the School Board

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For the Year Ended June 30, 2024

for the year ended June 30, 2024, was 30.00%. Premiums and claims are paid by the general fund. The end of fiscal year liability is reported in the general fund as other liabilities. Changes in the claims amount from previous fiscal years were as follows:

Years Ended June 30,	Beg. of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payment and Claims	End of Fiscal Year Liability
2022	\$ 76,000	\$ 21,638	\$ 44,638	\$ 53,000
2023	\$ 53,000	\$ 20,803	\$ 33,803	\$ 40,000
2024	\$ 40,000	\$ 237,588	\$ 75,588	\$ 202,000

An excess coverage insurance policy covers individual claims in excess of \$450,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. The School Board is reporting \$202,000 claims payable as of June 30, 2024. This balance was provided by the third-party administrator. The liability does not include incremental costs.

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School Board also participates in an entity risk pool for insurance coverage, including property and casualty insurance and the reinsurance of such coverage, in order to provide a more efficient and effective way to acquire insurance coverage. The entity risk pool is known as Property Casualty Alliance of Louisiana (PCAL), which is established only for School Boards and is overseen by a board made up of School Board Members. The responsibilities of the School Board is to pay contributions based upon a risk-funding plan developed by the Program as well as to have a loss prevention plan to make all reasonable efforts to eliminate and minimize hazards that would contribute to property/casualty losses. The pool is responsible for handling any and all claims after notice of loss has been received.

On-behalf payments for fringe benefits and salaries are direct payments by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires that employer governments recognize revenue and expenditures or expenses for these on-behalf payments.

Note 12 – Concentrations

The Minimum Foundation Program funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$13,129,274 to the school board, which represents approximately 46.7% of the School Board's total revenue for the year. Federal revenues also account for \$6,009,333, or 21.4%, of total revenues.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 13 – Uncertainties

For fiscal year 2025, the General Fund is budgeted with a \$900,000 deficit. Property insurance and health insurance costs have incurred significant increases over the past five years coupled with the elimination of ESSER indirect cost reimbursement (a revenue) in fiscal year 2024. All revenue enhancement and cost reduction actions have been undertaken to counter the ongoing deficits of the past five years.

Assuming that the State continues to provide inadequate funding for public education, the years beyond fiscal year 2025 will surpass \$1,000,000 deficits each year, which will be unsustainable past fiscal year 2030 or thereabouts.

Note 14 – Subsequent Events

The School Board has evaluated subsequent events through December 30, 2024, the date which the financial statements were available for issue and noted the following event occurring subsequent to the reporting period that requires disclosure.

The Operations and Maintenance ad valorem tax (8.90 mills) was renewed for 2026 through 2035 by December 7, 2024 election. The estimated annual tax received for this millage is expected to be approximately \$648,600.

**REQUIRED SUPPLEMENTARY INFORMATION
(PART B)**

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Budgetary Comparison Schedule—General Fund (unaudited)

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance at beginning of year	\$ 6,727,632	\$ 6,728,400	\$ 6,728,400	\$ -
Resources (inflows)				
Local sources				
Ad valorem taxes	1,956,000	2,102,563	2,111,697	9,134
Interest earnings	185,000	277,000	281,250	4,250
Other	402,108	677,595	683,197	5,602
State sources			-	
Equalization	13,446,234	12,996,014	13,029,274	33,260
Other	64,343	65,672	80,827	15,155
Federal sources	-	-	135,352	135,352
Other financing sources				
Transfers in	121,000	16,373	16,373	-
Total resources	16,174,685	16,135,217	16,337,970	202,753
Amounts available for appropriations	22,902,317	22,863,617	23,066,370	202,753
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	6,759,553	6,675,044	6,822,901	(147,857)
Special education programs	1,502,550	1,424,878	1,431,751	(6,873)
Vocational programs	554,116	583,773	514,717	69,056
Other instructional programs	392,903	394,217	352,408	41,809
Special programs	230,381	169,854	190,488	(20,634)
Support services				
Pupil support services	963,197	1,056,784	944,518	112,266
Instructional staff support services	843,415	944,459	968,742	(24,283)
General administration	200,300	277,992	392,526	(114,534)
School administration	1,110,912	1,055,268	1,052,735	2,533
Business services	473,872	455,710	454,829	881
Plant services	1,453,298	939,255	887,322	51,933
Student transportation	1,356,148	1,317,774	1,324,735	(6,961)
Central services	153,816	49,181	48,342	839
Noninstructional services				
Food service operations	117,224	119,640	118,244	1,396
Capital outlay	383,000	426,178	490,538	(64,360)
Other financing uses				
Transfers out	-	633,000	632,422	578
Total charges to appropriations	16,494,685	16,523,007	16,627,218	(104,211)
Budgetary fund balance at end of year	\$ 6,407,632	\$ 6,340,610	\$ 6,439,152	\$ 98,542

See accompanying notes to the budgetary comparison schedules.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Budgetary Comparison Schedule—Sales Tax Fund (unaudited)

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance at beginning of year	\$ 222,444	\$ 222,444	\$ 222,444	\$ -
Resources (inflows)				
Local sources				
Sales and use taxes	3,000,000	3,000,000	2,909,073	(90,927)
Interest earnings	-	-	381	381
Total resources	3,000,000	3,000,000	2,909,454	(90,546)
Amounts available for appropriations	3,222,444	3,222,444	3,131,898	(90,546)
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	1,250,500	1,250,500	1,155,175	95,325
Special education programs	351,800	351,800	285,402	66,398
Vocational programs	80,600	80,600	73,047	7,553
Other instructional programs	26,900	26,900	23,338	3,562
Special programs	113,100	113,100	407,673	(294,573)
Support services				
Pupil support services	151,900	151,900	145,940	5,960
Instructional staff support services	155,600	155,600	195,295	(39,695)
General administration	65,900	65,900	74,164	(8,264)
School administration	175,700	175,700	171,215	4,485
Business services	56,600	56,600	51,993	4,607
Plant services	90,500	90,500	71,391	19,109
Student transportation	184,900	184,900	156,099	28,801
Central services	31,900	31,900	3,696	28,204
Noninstructional services				
Food service operations	143,100	143,100	143,753	(653)
Other financing uses				
Transfers out	121,000	121,000	16,373	104,627
Total charges to appropriations	3,000,000	3,000,000	2,974,554	25,446
Budgetary fund balance at end of year	\$ 222,444	\$ 222,444	\$ 157,344	\$ (65,100)

See accompanying notes to the budgetary comparison schedules.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Budgetary Comparison Schedules (unaudited)

For the Year Ended June 30, 2024

A. BUDGETS

General Budget Practices

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

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

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

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

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered significant by the School Board.

Encumbrances

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

Budget Basis of Accounting

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

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios (unaudited)

For the Year Ended June 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Changes in Total OPEB Liability							
Service cost	\$ 1,931,653	\$ 1,830,394	\$ 2,955,834	\$ 2,577,250	\$ 2,028,714	\$ 1,723,684	\$ 1,844,592
Interest	2,181,091	2,058,684	1,653,082	1,548,732	1,485,266	1,356,214	1,351,401
Differences between expected and actual experience	(4,526,701)	-	1,697,337	-	1,935,668	-	441,045
Changes of assumptions or other inputs	(32,319,943)	(1,112,062)	(18,983,778)	(296,180)	22,818,048	2,321,310	(2,338,664)
Benefit payments	<u>(1,327,977)</u>	<u>(1,227,830)</u>	<u>(1,151,024)</u>	<u>(1,132,278)</u>	<u>(1,211,605)</u>	<u>(1,095,485)</u>	<u>(991,497)</u>
Net changes in total OPEB liability	(34,061,877)	1,549,186	(13,828,549)	2,697,524	27,056,091	4,305,723	306,877
Total OPEB liability - beginning	<u>58,482,307</u>	<u>56,933,121</u>	<u>70,761,670</u>	<u>68,064,146</u>	<u>41,008,055</u>	<u>36,702,332</u>	<u>36,395,455</u>
Total OPEB liability - ending	<u>\$ 24,420,430</u>	<u>\$ 58,482,307</u>	<u>\$ 56,933,121</u>	<u>\$ 70,761,670</u>	<u>\$ 68,064,146</u>	<u>\$ 41,008,055</u>	<u>\$ 36,702,332</u>
 Covered-employee payroll	 \$ 13,171,074	 \$ 12,737,227	 \$ 12,438,433	 \$ 12,065,658	 \$ 9,176,879	 \$ 7,010,722	 \$ 10,367,147
Total OPEB liability as a percentage of covered-employee payroll	185.41%	459.14%	457.72%	586.47%	741.69%	584.93%	354.03%

Notes to Schedule:

Discount Rate: 3.93% 3.65% 3.54% 2.16% 2.21% 3.50% 3.87%

Changes of benefit terms. None.

Changes of actuarial assumptions and methods. None.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedule of Employer's Proportionate Share of Net Pension Liability (unaudited)

For the Year Ended June 30, 2024

Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered-employee payroll	Agency'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
Teachers' Retirement System of Louisiana					
2024	0.200900%	\$ 18,160,219	\$ 11,166,184	162.6%	74.3%
2023	0.209820%	\$ 20,032,286	\$ 10,803,713	185.4%	72.4%
2022	0.212230%	\$ 11,330,688	\$ 10,495,940	108.0%	83.9%
2021	0.200541%	\$ 22,307,319	\$ 9,932,122	224.6%	65.6%
2020	0.200770%	\$ 19,925,720	\$ 9,237,800	215.7%	68.6%
2019	0.200541%	\$ 22,307,319	\$ 9,414,859	236.9%	68.2%
2018	0.208017%	\$ 21,325,647	\$ 9,301,532	229.3%	65.6%
2017	0.216292%	\$ 25,386,164	\$ 9,620,333	263.9%	59.9%
2016	0.214320%	\$ 23,044,173	\$ 9,449,430	243.9%	62.5%
2015	0.201840%	\$ 20,630,432	\$ 9,528,791	216.5%	63.7%
Louisiana School Employees' Retirement System					
2024	0.214375%	\$ 1,296,938	\$ 750,336	172.8%	78.5%
2023	0.268110%	\$ 1,782,925	\$ 841,874	211.8%	76.3%
2022	0.268555%	\$ 1,276,487	\$ 834,818	152.9%	82.5%
2021	0.246840%	\$ 1,983,253	\$ 770,352	257.4%	69.7%
2020	0.281744%	\$ 1,972,382	\$ 818,325	241.0%	73.5%
2019	0.246840%	\$ 1,983,253	\$ 812,269	244.2%	74.4%
2018	0.299611%	\$ 1,917,292	\$ 857,539	223.6%	75.0%
2017	0.321572%	\$ 2,425,770	\$ 818,104	296.5%	70.1%
2016	0.324522%	\$ 2,057,882	\$ 901,855	228.2%	74.5%
2015	0.325000%	\$ 1,884,005	\$ 890,550	211.6%	76.2%

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

See accompanying notes to the required supplementary information for pensions.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedule of Employer's Contributions to Pension Plans (unaudited)

For the Year Ended June 30, 2024

Fiscal Year*	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	Agency's covered-employee payroll	Contributions as a percentage of covered-employee payroll
Teachers' Retirement System of Louisiana					
2024	\$ 2,688,581	\$ 2,688,581	\$ -	\$ 11,135,807	24.1%
2023	\$ 2,773,768	\$ 2,773,768	\$ -	\$ 11,166,184	24.8%
2022	\$ 2,727,067	\$ 2,727,067	\$ -	\$ 10,803,713	25.2%
2021	\$ 2,709,877	\$ 2,709,877	\$ -	\$ 10,495,940	25.8%
2020	\$ 2,582,352	\$ 2,582,352	\$ -	\$ 9,237,800	28.0%
2019	\$ 2,550,409	\$ 2,550,409	\$ -	\$ 9,552,093	26.7%
2018	\$ 2,504,353	\$ 2,504,353	\$ -	\$ 9,414,859	26.6%
2017	\$ 2,371,891	\$ 2,371,891	\$ -	\$ 9,301,532	25.5%
2016	\$ 2,531,080	\$ 2,531,080	\$ -	\$ 9,620,333	26.3%
2015	\$ 2,744,269	\$ 2,744,269	\$ -	\$ 9,449,430	29.0%
2014	\$ 2,591,831	\$ 2,591,831	\$ -	\$ 9,528,791	27.2%
Louisiana School Employees' Retirement System					
2024	\$ 226,401	\$ 226,401	\$ -	\$ 820,292	27.6%
2023	\$ 207,093	\$ 207,093	\$ -	\$ 750,336	27.6%
2022	\$ 241,618	\$ 241,618	\$ -	\$ 841,874	28.7%
2021	\$ 239,593	\$ 239,593	\$ -	\$ 834,818	28.7%
2020	\$ 217,042	\$ 217,042	\$ -	\$ 770,352	28.2%
2019	\$ 229,131	\$ 229,131	\$ -	\$ 818,325	28.0%
2018	\$ 224,186	\$ 224,186	\$ -	\$ 812,269	27.6%
2017	\$ 234,108	\$ 234,108	\$ -	\$ 857,539	27.3%
2016	\$ 330,514	\$ 330,514	\$ -	\$ 818,104	40.4%
2015	\$ 298,477	\$ 298,477	\$ -	\$ 901,855	33.1%
2014	\$ 287,648	\$ 287,648	\$ -	\$ 890,550	32.3%

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

See accompanying notes to the required supplementary information for pensions.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Required Supplementary Information for Pensions (unaudited)

For the Year Ended June 30, 2024

Changes of Benefit Terms

Louisiana School Employees' Retirement System

Effective July 1, 2016, eligible retirees, beneficiaries and survivors received a 1.9% permanent benefit increase (PBI).

Effective July 1, 2022, eligible retirees, beneficiaries and survivors received a 1.4% PBI.

Teachers' Retirement System of Louisiana

For the year ended June 30, 2016, members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015, may retire with a 2.5% benefit factor after attaining age 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age.

Changes of Assumptions

Louisiana School Employees' Retirement System

For the actuarial valuation dated June 30, 2016, the investment rate of return was increased from 7.000% to 7.125%, inflation rate was decreased from 2.75% to 2.625% and salary increases were decreased from a range of 3.2% to 5.5% to a range of 3.075% to 5.375%.

For the actuarial valuation dated June 30, 2018, the investment rate of return was decreased from 7.125% to 7.0625%, inflation rate was decreased from 2.625% to 2.5% and salary increases were decreased from a range of 3.075% to 5.375% to 3.25%.

For the actuarial valuation dated June 30, 2019, the investment rate of return was decreased from 7.0625% to 7.0%.

For the actuarial valuation dated June 30, 2021, the investment rate of return was decreased from 7.0% to 6.9%.

For the actuarial valuation dated June 30, 2022, the investment rate of return was decreased from 6.9% to 6.8%.

For the actuarial valuation dated June 30, 2023, salary increases were increased from 3.25% to 3.75%.

Teachers' Retirement System of Louisiana

For the actuarial valuation dated June 30, 2017, the investment rate of return was decreased from 7.75% to 7.70%.

For the actuarial valuation dated June 30, 2018, the investment rate of return was decreased from 7.70% to 7.65%.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to the Required Supplementary Information for Pensions (unaudited)

For the Year Ended June 30, 2024

For the actuarial valuation dated June 30, 2019, the investment rate of return was decreased from 7.65% to 7.55%.

For the actuarial valuation dated June 30, 2020, the investment rate of return was decreased from 7.55% to 7.45%, the inflation rate was decreased from 2.5% to 2.3%, and the projected salary increases were decreased from 3.3-4.8% to 3.1-4.6%.

For the actuarial valuation dated June 30, 2021, the investment rate of return was decreased from 7.45% to 7.40%.

For the actuarial valuation dated June 30, 2022, the investment rate of return was decreased from 7.40% to 7.25%.

For the actuarial valuation dated June 30, 2023, the inflation rate was increased from 2.3% to 2.4%, and projected salary increases changed from 3.1%-4.6% to 2.41%-4.85%.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

**Combining Balance Sheet—
Nonmajor Governmental Funds**

June 30, 2024

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	TOTAL
Assets			
Cash and cash equivalents	\$ 1,185,628	\$ 61,362	\$ 1,246,990
Receivables	1,500,909	561,417	2,062,326
Prepaid expenses and other assets	7,439	-	7,439
Inventory	40,763	-	40,763
Total assets	\$ 2,734,739	\$ 622,779	\$ 3,357,518
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ 75,654	\$ -	\$ 75,654
Salaries and benefits payable	318,830	-	318,830
Interfund payables	883,497	-	883,497
Unearned revenue	90,183	-	90,183
Total liabilities	1,368,164	-	1,368,164
Fund balances			
Nonspendable	48,202	-	48,202
Restricted	1,318,373	622,779	1,941,152
Total fund balances	1,366,575	622,779	1,989,354
Total liabilities and fund balances	\$ 2,734,739	\$ 622,779	\$ 3,357,518

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
For the Year Ended June 30, 2024**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	TOTAL
REVENUES			
Local sources			
Ad valorem taxes	\$ 697,022	\$ 1,091,574	\$ 1,788,596
Interest earnings	2,286	492	2,778
Food services	30,929	-	30,929
Other	634,804	-	634,804
State sources			
Equalization	100,000	-	100,000
Other	458,161	-	458,161
Federal sources	5,873,981	-	5,873,981
Total revenues	<u>7,797,183</u>	<u>1,092,066</u>	<u>8,889,249</u>
EXPENDITURES			
Current			
Instructional services			
Regular programs	298,718	-	298,718
Special education programs	203,456	-	203,456
Vocational programs	139,972	-	139,972
Other instructional programs	532,514	-	532,514
Special programs	2,375,740	-	2,375,740
Support services			
Pupil support services	176,887	-	176,887
Instructional staff support services	1,254,195	-	1,254,195
General administration	384,577	13,317	397,894
Business services	21,972	-	21,972
Plant services	1,189,902	-	1,189,902
Student transportation	123,577	-	123,577
Noninstructional services			
Food service operations	1,431,975	-	1,431,975
Capital outlays	343,988	-	343,988
Debt service			
Principal	-	870,000	870,000
Interest	-	121,163	121,163
Total expenditures	<u>8,477,473</u>	<u>1,004,480</u>	<u>9,481,953</u>
Excess (deficiency) of revenues over expenditures	<u>(680,290)</u>	<u>87,586</u>	<u>(592,704)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	632,422	-	632,422
Total other financing sources (uses)	<u>632,422</u>	<u>-</u>	<u>632,422</u>
Net change in fund balances	(47,868)	87,586	39,718
Fund balances at beginning of year	<u>1,414,443</u>	<u>535,193</u>	<u>1,949,636</u>
Fund balances at end of year	<u>\$ 1,366,575</u>	<u>\$ 622,779</u>	<u>\$ 1,989,354</u>

NONMAJOR SPECIAL REVENUE FUNDS

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Combining Balance Sheet—Nonmajor Special Revenue Funds

June 30, 2024

	Food Service	Maintenance	School Activity	IDEA	Title I	Educational Excellence	Title II	LA-4	Vocational / JAG
Assets									
Cash and cash equivalents	\$ 254,800	\$ 521,487	\$ 237,345	\$ -	\$ -	\$ 14,486	\$ -	\$ 54,418	\$ 7,379
Receivables	12,097	364,324	-	107,167	285,644	-	17,794	27,342	-
Prepaid expenses and other assets	-	-	-	-	-	7,439	-	-	-
Inventory	40,763	-	-	-	-	-	-	-	-
Total assets	<u>\$ 307,660</u>	<u>\$ 885,811</u>	<u>\$ 237,345</u>	<u>\$ 107,167</u>	<u>\$ 285,644</u>	<u>\$ 21,925</u>	<u>\$ 17,794</u>	<u>\$ 81,760</u>	<u>\$ 7,379</u>
Liabilities and fund balances									
Liabilities									
Accounts payable	\$ 1,085	\$ 5,208	\$ -	\$ -	\$ 4,446	\$ 7,439	\$ -	\$ -	\$ -
Salaries and benefits payable	72,369	-	-	8,285	47,183	-	1,106	24,860	7,379
Interfund payables	-	-	-	98,882	234,015	-	16,688	-	-
Unearned revenue	20,346	-	-	-	-	-	-	56,900	-
Total liabilities	<u>93,800</u>	<u>5,208</u>	<u>-</u>	<u>107,167</u>	<u>285,644</u>	<u>7,439</u>	<u>17,794</u>	<u>81,760</u>	<u>7,379</u>
Fund balances									
Nonspendable	40,763	-	-	-	-	7,439	-	-	-
Restricted	173,097	880,603	237,345	-	-	7,047	-	-	-
Total fund balances	<u>213,860</u>	<u>880,603</u>	<u>237,345</u>	<u>-</u>	<u>-</u>	<u>14,486</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 307,660</u>	<u>\$ 885,811</u>	<u>\$ 237,345</u>	<u>\$ 107,167</u>	<u>\$ 285,644</u>	<u>\$ 21,925</u>	<u>\$ 17,794</u>	<u>\$ 81,760</u>	<u>\$ 7,379</u>

(continued)

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Combining Balance Sheet—Nonmajor Special Revenue Funds

June 30, 2024

	<u>Head Start</u>	<u>Early Childhood</u>	<u>Education Stabilization</u>	<u>B-3 Seats</u>	<u>SWD DI Transition</u>	<u>Other Federal</u>	<u>Other State</u>	<u>Other Local</u>	<u>Total</u>
Assets									
Cash and cash equivalents	\$ 54,147	\$ -	\$ -	\$ 21,285	\$ -	\$ -	\$ -	\$ 20,281	\$ 1,185,628
Receivables	11,159	3,018	162,704	25,563	252,906	172,980	58,211	-	1,500,909
Prepaid expenses and other assets	-	-	-	-	-	-	-	-	7,439
Inventory	-	-	-	-	-	-	-	-	40,763
Total assets	<u>\$ 65,306</u>	<u>\$ 3,018</u>	<u>\$ 162,704</u>	<u>\$ 46,848</u>	<u>\$ 252,906</u>	<u>\$ 172,980</u>	<u>\$ 58,211</u>	<u>\$ 20,281</u>	<u>\$ 2,734,739</u>
Liabilities and fund balances									
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ 33,911	\$ 23,565	\$ -	\$ -	\$ -	\$ 75,654
Salaries and benefits payable	65,306	94	37,959	-	11,436	35,965	6,888	-	318,830
Interfund payables	-	2,924	124,745	-	217,905	137,015	51,323	-	883,497
Unearned revenue	-	-	-	12,937	-	-	-	-	90,183
Total liabilities	<u>65,306</u>	<u>3,018</u>	<u>162,704</u>	<u>46,848</u>	<u>252,906</u>	<u>172,980</u>	<u>58,211</u>	<u>-</u>	<u>1,368,164</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	48,202
Restricted	-	-	-	-	-	-	-	20,281	1,318,373
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,281</u>	<u>1,366,575</u>
Total liabilities and fund balances	<u>\$ 65,306</u>	<u>\$ 3,018</u>	<u>\$ 162,704</u>	<u>\$ 46,848</u>	<u>\$ 252,906</u>	<u>\$ 172,980</u>	<u>\$ 58,211</u>	<u>\$ 20,281</u>	<u>\$ 2,734,739</u>

(concluded)

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	Food Service	Maintenance	School Activity	IDEA	Title I	Educational Excellence	Title II	LA-4	Vocational / JAG
REVENUES									
Local sources									
Ad valorem taxes	\$ -	\$ 697,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest earnings	2,286	-	-	-	-	-	-	-	-
Food services	30,929	-	-	-	-	-	-	-	-
Other	-	-	626,804	-	-	-	-	-	-
State sources									
Equalization	100,000	-	-	-	-	-	-	-	-
Other	-	31,329	-	-	-	7,439	-	327,004	-
Federal sources	1,247,027	-	-	464,120	873,113	-	74,266	-	120,720
Total revenues	<u>1,380,242</u>	<u>728,351</u>	<u>626,804</u>	<u>464,120</u>	<u>873,113</u>	<u>7,439</u>	<u>74,266</u>	<u>327,004</u>	<u>120,720</u>
EXPENDITURES									
Current									
Instructional services									
Regular programs	-	1,500	264,273	-	-	-	-	-	2,086
Special education programs	-	-	-	156,013	-	-	-	47,443	-
Vocational programs	-	-	-	-	-	-	-	-	117,127
Other instructional programs	-	-	400,948	-	-	-	-	-	-
Special programs	-	-	-	26,298	368,826	-	42,187	279,561	-
Support services									
Pupil support services	-	-	-	155,339	-	-	-	-	-
Instructional staff support services	-	-	-	96,465	439,146	3,614	27,101	-	1,507
General administration	-	8,516	-	29,889	65,069	-	4,978	-	-
Business services	-	-	-	-	-	-	-	-	-
Plant services	-	1,158,398	-	-	-	-	-	-	-
Student transportation	-	97,636	-	116	72	-	-	-	-
Noninstructional services									
Food service operations	1,431,975	-	-	-	-	-	-	-	-
Capital outlays	-	16,734	22,055	-	-	-	-	-	-
Total expenditures	<u>1,431,975</u>	<u>1,282,784</u>	<u>687,276</u>	<u>464,120</u>	<u>873,113</u>	<u>3,614</u>	<u>74,266</u>	<u>327,004</u>	<u>120,720</u>
Excess (deficiency) of revenues over expenditures	<u>(51,733)</u>	<u>(554,433)</u>	<u>(60,472)</u>	<u>-</u>	<u>-</u>	<u>3,825</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)									
Transfers in	-	632,422	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>632,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(51,733)	77,989	(60,472)	-	-	3,825	-	-	-
Fund balances at beginning of year	<u>265,593</u>	<u>802,614</u>	<u>297,817</u>	<u>-</u>	<u>-</u>	<u>10,661</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 213,860</u>	<u>\$ 880,603</u>	<u>\$ 237,345</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,486</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	Head Start	Early Childhood	Education Stabilization	B-3 Seats	SWD DI Transition	Other Federal	Other State	Other Local	Total
REVENUES									
Local sources									
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 697,022
Interest earnings	-	-	-	-	-	-	-	-	2,286
Food services	-	-	-	-	-	-	-	-	30,929
Other	-	-	-	-	-	-	-	8,000	634,804
State sources									
Equalization	-	-	-	-	-	-	-	-	100,000
Other	-	1,024	-	-	-	-	91,365	-	458,161
Federal sources	933,376	3,556	1,057,241	261,305	280,000	559,257	-	-	5,873,981
Total revenues	933,376	4,580	1,057,241	261,305	280,000	559,257	91,365	8,000	7,797,183
EXPENDITURES									
Current									
Instructional services									
Regular programs	-	-	-	-	-	28,766	2,093	-	298,718
Special education programs	-	-	-	-	-	-	-	-	203,456
Vocational programs	-	-	-	-	-	22,845	-	-	139,972
Other instructional programs	-	-	14,825	-	-	91,264	-	25,477	532,514
Special programs	714,248	2,680	360,074	261,301	26,543	205,771	88,251	-	2,375,740
Support services									
Pupil support services	20,080	-	1,468	-	-	-	-	-	176,887
Instructional staff support services	73,986	1,900	221,612	-	219,676	168,228	960	-	1,254,195
General administration	68,718	-	154,063	4	21,031	32,248	61	-	384,577
Business services	11,837	-	-	-	-	10,135	-	-	21,972
Plant services	18,754	-	-	-	12,750	-	-	-	1,189,902
Student transportation	25,753	-	-	-	-	-	-	-	123,577
Noninstructional services									
Food service operations	-	-	-	-	-	-	-	-	1,431,975
Capital outlays	-	-	305,199	-	-	-	-	-	343,988
Total expenditures	933,376	4,580	1,057,241	261,305	280,000	559,257	91,365	25,477	8,477,473
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	(17,477)	(680,290)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	-	-	632,422
Total other financing sources (uses)	-	-	-	-	-	-	-	-	632,422.00
Net change in fund balances	-	-	-	-	-	-	-	(17,477)	(47,868)
Fund balances at beginning of year	-	-	-	-	-	-	-	37,758	1,414,443
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,281	\$ 1,366,575

(concluded)

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedule of Compensation Paid to Board Members

For the Year Ended June 30, 2024

Board Member		Amount
Randy Rentz, Vice President	Ward 1	\$ 5,100
Jerry "Bo" Barton	Ward 2	5,100
Melinda Ballard	Ward 3	5,100
Baron Glass	Ward 4	5,100
Maria Bass	Ward 5	5,100
Johnnie Fallin	Ward 6	5,100
Gary Cassels, President	Ward 7	<u>5,700</u>
Total Compensation		<u><u>\$ 36,300</u></u>

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

**Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer**

For the Year Ended June 30, 2024

Agency Head: Nicki McCann, Superintendent

Purpose	Amount
Salary	\$ 137,158
Benefits-retirement	36,285
Travel-included in contract	13,404
Travel-outside of parish	2,918
Dues	600
Total Compensation	<u>\$ 190,365</u>

**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
AND BY UNIFORM GUIDANCE**



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Keeping you on course!

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Caldwell Parish School Board** (the School Board), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 30, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

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 statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Woodard & Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

December 30, 2024



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Keeping you on course!

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

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Caldwell Parish School Board's (the School Board) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2024. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Caldwell 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 the School Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compliance for each major federal program. Our audit does not provide a legal determination of the School Board's compliance with the compliance requirements referred to above.

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Board Members
Caldwell Parish School Board
Columbia, Louisiana**

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.

Woodward & Associates

**(A Professional Accounting Corporation)
Monroe, Louisiana**

December 30, 2024

CALDWELL PARISH SCHOOL BOARD
Columbia, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	Assistance Listing Number	Pass-Through Grantor No.	2024 Expenditures	2024 Passed Through to Subrecipients
United States Department of Agriculture				
<i>Passed through Louisiana Department of Education:</i>				
National School Lunch Program Equipment Assistance Funds	10.579	N/A	\$ 1,150	\$ -
Local Food for Schools Cooperative Agreement Program	10.185	N/A	7,425	
State Pandemic P-EBT Administrative Cost Grants	10.649	N/A	3,256	
Child Nutrition Cluster:				
Non Cash Assistance (Commodities)				
National School Lunch Program	10.555	N/A	102,272	-
Cash Assistance				
School Breakfast Program	10.553	N/A	326,175	-
National School Lunch Program	10.555	N/A	690,554	-
COVID-19 National School Lunch Program - Emergency Operational Costs Reimbursement Program	10.555	N/A	49,433	-
Fresh Fruit & Vegetables Program	10.582	N/A	66,762	-
Total Child Nutrition Cluster			<u>1,235,196</u>	<u>-</u>
Total United States Department of Agriculture			<u>1,247,027</u>	<u>-</u>
United States Department of Education				
<i>Passed through Louisiana Department of Education:</i>				
Disability Innovation Fund	84.421	28-24-SWDI-11	280,000	
Title I				
Title I Grants to Local Educational Agencies (Redesign 1003a)	84.010	28-22-RD19-11	145,095	-
Title I Grants to Local Educational Agencies	84.010A	28-24-T1-11	728,018	-
Title I Grants to Local Educational Agencies (Direct Student Service)	84.010A	28-23-DSS-11	-	-
Total Title I			<u>873,113</u>	<u>-</u>
Special Education Cluster:				
Special Education - Grants to States (IDEA Part B 611)	84.027A	28-23-B1-11	426,466	-
Special Education - Grants to States (Set Aside)	84.027A	28-22-I1SA	1,361	-
COVID-19 Special Education - Grants to States (IDEA 611 ARP)	84.027	28-24-RK-11	10,130	-
Special Education - Preschool Grants (IDEA Preschool 619)	84.173A	28-23-P1-11	19,163	-
COVID-19 Special Education - Preschool Grants (IDEA 619 ARP)	84.173X	28-22-IA19-11	7,000	-
Total Special Education Cluster			<u>464,120</u>	<u>-</u>
Education Stabilization Fund				
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II - Formula)	84.425D	28-21-ES2F-11	4,592	-
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II -Incentive)	84.425D	28-21-ES2I-11	104,293	-
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER III - Formula)	84.425U	28-21-ES3F-11	548,731	-
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER III - Incentive)	84.425U	28-21-ES3I-11	195,497	-
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER III - EB Interventions)	84.425U	28-21-ESEB-11	197,375	-
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth	84.425W	28-22-HARP-11	6,753	-
Total Education Stabilization Fund			<u>1,057,241</u>	<u>-</u>
Vocational Education				
Career and Technical Education - Basic Grants to States	84.048	28-24-02-11	22,770	-
Rural Education	84.358	28-24-RLIS-11	31,102	-
Supporting Effective Instruction State Grants	84.367A	28-24-50-11	74,266	-
Comprehensive Literacy State Development (CLSD UIR B-5)	84.371C	28-20-CCUB-11	63,702	-
Comprehensive Literacy State Development (CLSD UIR K-5)	84.371C	28-20-CCUK-11	62,851	-
Comprehensive Literacy State Development (CLSD UIR 6-8)	84.371C	28-20-CCU6-11	58,938	-
Total United States Department of Education			<u>2,988,103</u>	<u>-</u>

(continued)

CALDWELL PARISH SCHOOL BOARD
Columbia, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	Assistance Listing Number	Pass-Through Grantor No.	2024 Expenditures	2024 Passed Through to Subrecipients
United States Department of Health & Human Services				
<i>Passed through Louisiana Department of Education:</i>				
Every Student Succeeds Act/Preschool Development Grants (Ready Start Networks PDG)	93.434	28-23-RSB5-11	11,000	-
Every Student Succeeds Act/Preschool Development Grants (Believe Cat 1 PDG Renewal)	94.434	28-24-B1PD-11	1,160	
Every Student Succeeds Act/Preschool Development Grants (Believe Cat 3 PDG Renewal)	94.434	28-24-B3PD-11	3,100	
Every Student Succeeds Act/Preschool Development Grants (Ready Start Network PDG23)	94.434	28-24-CORP-11	150,000	
CCDF Cluster:				
Child Care and Development Block Grant (EC Network Lead Agencies - CCDF)	93.575	N/A	3,462	-
COVID-19 Child Care and Development Block Grant (B-3 Seats - CCDBG)	93.575	N/A	261,305	-
Agency)	93.575	28-21-COLG-11	94	-
Child Care and Development Block Grant (Believe Category 4)	93.575	N/A	12,481	-
Child Care and Development Block Grant (Ready Start Networks)	93.575	28-24-CORA-11	95,229	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	28-24-CORC-11	46,924	
Total CCDF Cluster			<u>419,495</u>	<u>-</u>
<i>Passed through Louisiana Workforce Commission:</i>				
Temporary Assistance for Needy Families-Jobs for Graduates (JAG)	93.558	Contract (2000531663)	120,720	-
Direct Programs:				
Head Start Cluster:				
Head Start	93.600	06CH01144504	601,936	-
Head Start	93.600	06H01144504c3	28,042	-
Head Start	93.600	06CH01144505	303,398	-
Total Head Start Cluster			<u>933,376</u>	<u>-</u>
Total United States Department of Health & Human Services			<u>1,638,851</u>	<u>-</u>
TOTAL FEDERAL AWARDS			<u>\$ 5,873,981</u>	<u>\$ -</u>
				(concluded)

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to Schedule of Expenditures of Federal Awards

June 30, 2024

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes all Federal grant activity of the Caldwell Parish School Board (the School Board) for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 22 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School Board.

Note 2 – Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Relationship to the Financial Statements

Federal revenues are reported in the School Board's financial statements as follows:

<u>Federal Programs</u>	<u>Amount</u>
Education Stabilization	\$1,057,241
Food Service	1,247,027
Head Start	933,376
Title I	873,113
Special Education/IDEA	464,120
TANF-JAG	120,720
Title II	74,266
Early Childhood	3,556
B-3 Seats	261,305
SWD DI Transition	280,000
E-Rate	135,352
Other Miscellaneous	559,257
Total Federal Revenues – Statement D	<u>6,009,333</u>
Federal E-Rate not included in SEFA	<u>(135,352)</u>
Schedule of Expenditures of Federal Awards	<u>\$5,873,891</u>

Note 4 – Noncash Program

Included in the Child Nutrition Cluster National School Lunch Program, ALN 10.555, is \$102,272 of non-cash awards in the form of commodities provided by the United States Department of Agriculture. The commodities are noncash revenues and are valued using prices provided by the Louisiana Department of Agriculture and Forestry when received.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Notes to Schedule of Expenditures of Federal Awards

June 30, 2024

Note 5 – Indirect Cost Rate

The School Board did not elect to use the 10% de minimis indirect cost rate.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2024

We have audited the financial statements of the governmental activities and each major fund of the Caldwell Parish School Board, as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the basic financial statements and have issued our report thereon dated December 30, 2024. 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 audit of the financial statements as of June 30, 2024 resulted in an unmodified opinion.

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal Control over financial reporting

Material Weaknesses Yes X No

Significant Deficiency Yes X None Noted

Noncompliance material to financial statements Yes X No

Federal Awards

Internal Control

Material Weaknesses Yes X No

Significant Deficiency Yes X None Noted

Type of Opinion on Compliance X Unmodified Modified
For Major Programs Disclaimer Adverse

Are there findings required to be reported in accordance with the Uniform Guidance? No

Identification of Major Programs:

ALN 84.010 Title I Grants to Local Educational Agencies (LEAs)

ALN 84.425 COVID-19 Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B Programs
\$750,000.

Is the auditee a "low-risk" auditee X Yes No

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2024

Section II – Findings related to the financial statements that are required to be reported under *Government Auditing Standards*.

There were no findings identified that are required to be reported under *Government Auditing Standards*.

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

There were no findings identified that are required to be reported under the Uniform Guidance.

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Summary Status of Prior Year Findings

For the Year Ended June 30, 2024

The following is a summary of the status of the prior year findings included in our 2023 audit report dated October 31, 2023, covering the audit of the financial statements of Caldwell Parish School Board (the School Board), as of and for the year ended June 30, 2023.

Financial Statements Findings Reported in Accordance with *Government Auditing Standards*.

There were no findings for the year ended June 30, 2023.

OTHER REPORTS

**AGREED-UPON PROCEDURES REPORTS AND
SCHEDULES REQUIRED BY STATE LAW**



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Keeping you on course!

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

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

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

The procedures and associated findings are as follows:

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

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

Results

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

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

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 roll books for those classes and observed that the class was properly classified on the schedule.

Results

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

Results

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

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. We then selected a sample of 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).

Results

One of the 25 individuals' extra compensation was not properly included in the PEP schedule.

Management's Response:

For an unknown reason, the PEP data did not include all of one individual's extra compensation. We will research this issue to ensure it does not happen again.

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

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

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

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

Woodard & Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

December 30, 2024

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

Schedules Required by State Law

(R.S. 24:514 – Performance and Statistical Data)

For the Year Ended June 30, 2024

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

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

Schedule 2 – Class Size Characteristics

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

CALDWELL PARISH SCHOOL BOARD

Columbia, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources

For the Year Ended June 30, 2024

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 4,627,348	
Other Instructional Staff Activities	624,271	
Instructional Staff Employee Benefits	3,108,977	
Purchased Professional and Technical Services	201,759	
Instructional Materials and Supplies	110,825	
Instructional Equipment	238,306	
Total Teacher and Student Interaction Activities		\$ 8,911,486
Other Instructional Activities		71,805
Pupil Support Services	804,860	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services		804,860
Instructional Staff Services	902,595	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		902,595
School Administration	1,016,017	
Less: Equipment for School Administration	-	
Net School Administration		1,016,017
Total General Fund Instructional Expenditures		\$ 11,706,763
Total General Fund Equipment Expenditures		\$ 238,306
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ 382,274
Renewable Ad Valorem Tax		2,324,573
Debt Service Ad Valorem Tax		1,091,574
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		101,871
Sales and Use Taxes		2,909,073
Total Local Taxation Revenue		\$ 6,809,365
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ 414,287
Earnings from Other Real Property		-
Total Local Earnings on Investment in Real Property		\$ 414,287
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$ 31,329
Revenue Sharing - Other Taxes		31,329
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		\$ 62,658
Nonpublic Textbook Revenue		\$ 2,154
Nonpublic Transportation Revenue		\$ 2,154

Caldwell Parish School Board
Columbia, Louisiana

Class Size Characteristics
As of October 1, 2023

School Type	Class Size Range								Total	
	1-20		21-26		27-33		34+			
	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number
Elementary	95.68%	288	3.32%	10	0.00%	-	1.00%	3	100.00%	301
Elementary Activity Classes	97.37%	37	2.63%	1	0.00%	-	0.00%	-	100.00%	38
Middle/Jr. High	90.91%	120	9.09%	12	0.00%	-	0.00%	-	100.00%	132
Middle/Jr. High Activity Classes	73.33%	22	16.67%	5	10.00%	3	0.00%	-	100.00%	30
High	85.05%	182	14.49%	31	0.47%	1	0.00%	-	100.00%	214
High Activity Classes	98.72%	77	1.28%	1	0.00%	-	0.00%	-	100.00%	78
Combination	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Combination Activity Classes	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total		726		60		4		3		793

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

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

**To the Caldwell 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, 2023 through June 30, 2024. Caldwell Parish School Board's (the School Board's) management is responsible for those C/C areas identified in the SAUPs.

The School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

**To the Caldwell Parish School Board
and the Louisiana Legislative Auditor**

- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. ***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).
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***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.

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

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. Observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund and semi-annual budget- to-actual, at a minimum, on all special revenue funds.

**To the Caldwell Parish School Board
and the Louisiana Legislative Auditor**

- iii. Obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

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

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include 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) within 1 month of the date the reconciliation was prepared; and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

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

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (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:
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible

**To the Caldwell Parish School Board
and the Louisiana Legislative Auditor**

- for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. 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
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

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

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;

**To the Caldwell Parish School Board
and the Louisiana Legislative Auditor**

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

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

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and 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.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (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

**To the Caldwell Parish School Board
and the Louisiana Legislative Auditor**

- ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (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.

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

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements 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
 - i. 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);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. 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 #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

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

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

**To the Caldwell Parish School Board
and the Louisiana Legislative Auditor**

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe 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
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

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

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials 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.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

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

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10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. 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
 - ii. 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.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

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

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

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

12) Fraud Notice

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

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

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13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
- i. 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.
 - ii. 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.
 - iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267 . The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

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

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, 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.
- B. 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).
- C. 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:

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

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

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

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

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.

Woodward + Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

December 30, 2024