

ACADIA PARISH SCHOOL BOARD

FINANCIAL REPORT

JUNE 30, 2022

Thibodeaux Accounting Company

A Limited Liability Company

Post Office Box 34

Rayne, Louisiana 70578

ACADIA PARISH SCHOOL BOARD

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

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ACADIA PARISH SCHOOL BOARD

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THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT AUDITOR'S REPORT

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, 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 Acadia Parish School Board (the "School Board"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements 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, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

MEMBER OF
AMERICAN INSTITUTE OF
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Mr. Scott Richard, Superintendent,
and the Members of the Acadia Parish School Board
Crowley, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information and other required supplementary information on pages 4 through 12 and 63 through 71, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Mr. Scott Richard, Superintendent,
and the Members of the Acadia Parish School Board
Crowley, Louisiana

Other 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 other supplementary information on pages 77 through 86 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards on pages 94 and 95 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards and the schedule of compensation, benefits and other payments to agency head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 expenditures of federal awards and the schedule of compensation, benefits and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 7, 2023, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.



Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
June 23, 2023

ACADIA PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the Acadia Parish School Board's (the "School Board") financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. The reader should read this discussion in conjunction with the financial statements and the notes to the basic financial statements, which are all included in this report, to enhance their understanding of the School Board's financial performance.

The MD&A is required by the Governmental Accounting Standards Board to supplement the basic financial statements. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A. All prior year numbers are shown as previously reported.

FINANCIAL HIGHLIGHTS

The School Board's financial position remains stable despite challenging external factors. The staff is continually monitoring expenditures and restructuring departments and positions whenever possible to maximize our potential to deliver the optimum educational opportunities to our students. The School Board has also continued to adjust staffing levels in light of enrollment trends, providing sufficient resources in times of change.

The School Board's net position decreased by \$13.5 million from July 1, 2021 to June 30, 2022 as reported in the statement of activities on page 18. An analysis of the major revenues components is as follows:

Minimum Foundation Program (MFP) – MFP is the funding formula from the state for school systems in Louisiana. The funding is based on a formula with many variables and two levels of funding. Level one funding is based on the number of students enrolled in the school system. Level two funding is based on the dollar amount of local funding. The more local tax support received by a District, the more state support (MFP) we receive through level two funding. The School Board received approximately \$5.959 for each student during 2021-2022, which is a .001% increase from 2020-2021. The unrestricted portion of the MFP funding was \$57.0 million during 2021-2022 compared to \$56 million during 2020-2021, an increase of \$1 million or 2%. Enrollment of MFP membership decreased 1% from the previous year.

Operating Grants – Operating grants and contributions for the School Board were \$36.4 million for 2021-2022. Operating grants and contributions increased \$4.2 million or 13% compared to 2020-2021.

Ad Valorem Taxes – Ad valorem taxes collected for general and specific purposes were \$12.6 million for 2021-2022. Property taxes increased \$56,850 or .45% compared to 2020-2021.

Sales Taxes – Sales tax collections were \$15.9 million during the 2021-2022 fiscal year. This amount includes an additional one-half cent sales tax that became effective in 2004. This source of revenue is dedicated exclusively to salaries and benefits for employees and is accounted for in a separate fund. The first amount distribution of excess accumulations was made in 2006 and continues to be made each year in January. Sales tax revenue collections increased in the 2021-2022 fiscal year by \$161 thousand, or .01%, from 2020-2021 operations.

Interest – Interest and investment earnings totaled \$84,505, which is a 47% decrease compared to 2020-2021.

The expenses of the School Board, as reported in the statement of activities, were \$140.7 million in 2021-2020. The major expense components are as follows:

Salaries and Related Benefits – Salaries and related benefits for active employees continue to be the School Board's largest expense items. Payments for salaries and related benefits account for \$74.8 million, or 54% of total expenses in 2021-2020. Comparatively, this is a \$0.7 million increase from 2020-2021, or an increase of 1%. The increase is largely the result of adjustments related to the recording of pension expenses and the related pension liabilities in the government wide financial statements.

The School Board contributes over 65% of the cost of group health insurance rates for retired employees. The cost of covering retired employees was \$4.0 million which is consistent with 2020-2021. Including the OPEB adjustment of \$18.2 million, retiree benefits accounted for 16% of total operating costs in 2021-2022.

Capital Projects – During the fiscal year, the School Board made capital investments for a total of approximately \$3.2 million in 2022 and \$3.9 million in 2021. In 2021, the School Board purchased land, completed classrooms, and performed various renovations.

USING THIS FINANCIAL REPORT

This financial report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School Board as a whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the School Board. These statements provide more detail than the government-wide financial statements about the services that were financed in the short-term as well as what remains for future spending in the School Board's more significant funds as well as all other nonmajor funds. The General Fund is the School Board's most significant fund.

REPORTING THE SCHOOL BOARD AS A WHOLE

Statement of Net Position and the Statement of Activities

The statement of net position and the statement of activities report information about the School Board as a whole and its activities in a way to try to inform the reader as to how the School Board did financially during the fiscal year. In short, is the School Board better off financially or is it worse off financially than it was this time last year? These statements report all assets and liabilities of the School Board on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School Board's net position and the change in those assets. This change in net position is important because it tells the reader that, for the School Board as a whole, the financial position of the School Board improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the School Board include the state of the oil and gas industry, trends in agricultural, the parish's sales and property tax bases, the state and federal government's continued funding, and economic conditions in general.

The statement of net position and the statement of activities report the governmental activities of the School Board. Most of the School Boards' programs and services are reported here including instruction, support services, operating and maintenance of plant, student transportation, and child nutrition program.

REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the School Board's major fund begins on page 22. Fund financial statements provide detailed information about the School Board's major funds. The School Board uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School Boards' most significant funds. The School Board's major governmental funds for the 2021-2022 fiscal year are the General Fund and the No Child Left Behind Special Revenue Fund.

The School Board's nonmajor governmental funds for the 2022 fiscal year are the Special Federal Funds Fund, the Special Education Fund, the State Programs Fund, the School Lunch Fund, the Headstart Fund, and the School Activity Fund.

Governmental Funds

Most of the School Board's activities are reported as governmental funds, which focus on how much money flows into and out of those funds and the balances left at year end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds' statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spend in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

THE SCHOOL BOARD AS TRUSTEE

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its Sales Tax Fund. All of the School Board's fiduciary activities are reported in a separate comparative statement of asset and liabilities, accompanied by supporting schedules on page 97 and 98. These activities have been excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The School Board as a Whole

\$13.4 million of the \$343.1 million deficit in net position at June 30, 2022 were restricted. Restricted net position is reported separately to show legal constraints from trust and debt covenants and enabling legislation that limit the School Board's ability to use those funds for day-to-day operations. The following analysis focuses on the net position (Table 1) and change in net position (Table 2) of the School Board's governmental activities.

Table 1
Governmental Activities
Statement of Net Position
June 30, 2022
(With Comparative Totals for June 30, 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Current and other assets	\$ 52,467,372	\$ 53,467,433
Capital assets	36,753,589	31,957,529
Total assets	<u>\$ 89,220,961</u>	<u>\$ 85,424,962</u>
Deferred outflows of resources	<u>\$ 23,196,772</u>	<u>\$ 76,499,511</u>
Liabilities:		
Current and other liabilities	\$ 14,875,838	\$ 16,452,750
Long-term liabilities	297,233,640	472,221,594
Total liabilities	<u>\$ 312,109,478</u>	<u>\$ 488,674,344</u>
Deferred inflows of resources	<u>\$ 143,553,358</u>	<u>\$ 1,804,426</u>
Net position:		
Net investment in capital assets	\$ 36,753,589	\$ 31,610,312
Restricted	13,395,821	10,661,747
Unrestricted	<u>(393,313,791)</u>	<u>(370,826,356)</u>
Total net position	<u><u>\$ (343,164,381)</u></u>	<u><u>\$ (328,554,297)</u></u>

The deficit of \$393.3 million in unrestricted net position represents the accumulated results of all past years' operations. The results of this year's operations for the School Board as a whole are reported in the statement of activities on page 18. Table 2 reports the information from the statement of activities in a different format so that total revenue for the year can be more easily identifiable.

Table 2
Governmental Activities
Changes in Net Position
Year Ended June 30, 2022
(With Comparative Totals for June 30, 2021)

	<u>2022</u>	<u>2021</u>
Revenues:		
Program revenues-		
Charges for services	\$ 4,042,208	\$ 2,972,090
Operating grants and contributions	36,432,763	31,723,334
General revenues-		
Ad valorem taxes	12,613,894	12,557,044
Sales taxes	15,916,506	16,078,173
State equalization	56,990,796	56,131,655
Other general revenues	1,690,671	2,363,120
Total revenues	<u>\$ 127,686,838</u>	<u>\$ 121,825,416</u>
Functions/Programs Expenses:		
Instruction-		
Regular programs	\$ 53,134,127	\$ 58,598,155
Special education programs	8,187,759	9,075,146
Vocational programs	2,139,679	2,425,200
Other instructional programs	4,289,158	2,950,861
Special programs	11,379,884	13,746,927
Adult and continuing education programs	52,429	47,526
Support services-		
Pupil support services	7,236,213	8,306,035
Instructional staff support services	11,227,623	8,915,448
General administration	2,780,948	2,782,153
School administration	7,181,009	7,633,402
Business services	984,645	1,193,969
Plant services	12,191,736	9,475,451
Student transportation services	6,608,002	5,677,705
Central services	1,343,989	1,221,680
Food services	8,303,818	8,065,743
Facilities acquisition and construction	340,481	4,311,112
Community service programs	3,230,304	378,665
Debt service-		
Interest on long-term obligations	55,412	69,961
Total expenses	<u>\$ 140,667,216</u>	<u>\$ 144,875,139</u>
Change in net position	<u>\$ (12,980,378)</u>	<u>\$ (23,049,723)</u>

Program revenues and general revenues totaled \$40.6 million and \$87.1 million, respectively, in the 2021-2020 fiscal year, compared to \$34.6 million and \$87.1 million, respectively, in 2020-2021.

Instruction, support services and debt service expenses totaled \$78.5 million, \$49.2 million and \$55,412, respectively, in the 2021-2020 fiscal year compared to \$86.8 million, \$57.9 million and \$69,961, respectively in 2020-2021.

Governmental Activities

As reported in the statement of activities on page 18, the net cost of governmental activities this year was \$136.9 million. The taxpayers in the Parish provided \$28.5 million in ad valorem and sales tax revenues to help meet the total cost of governmental activities. The state contributed \$56 million through the MFP, which is the main funding source for the School Board. The balance of the cost of governmental activities for the year was provided through state and Federal grants.

Table 3 presents the total cost of each of the School Board's five largest functions – regular programs, special education programs, pupil support services, plant services, and food services, as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of those functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Governmental Activities
Year Ended June 30, 2022
(With Comparative Totals for June 30, 2021)

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Regular programs	\$ 53,134,127	\$ 58,598,155	\$ 52,736,206	\$ 58,350,015
Special education programs	8,187,759	9,075,146	7,405,451	8,136,997
Pupil support services	7,236,213	8,306,035	4,230,657	5,599,547
Plant services	12,191,736	9,475,451	10,691,944	7,834,321
Food services	8,303,818	8,065,743	(419,270)	928,718
Subtotal	\$ 89,053,653	\$ 93,520,530	\$ 74,644,988	\$ 80,849,598
All others	51,613,563	51,354,609	25,468,897	29,330,117
Total	\$ 140,667,216	\$ 144,875,139	#####	\$ 110,179,715

The School Board Funds

The School Board uses funds to help it control and manage money for particular purposes. Accounting for money for particular purposes in different funds helps that reader to determine whether the School Board is being accountable for all the resources taxpayers and others provide to it and it may also give the reader more insight into the School Board's overall financial health.

General Fund – The General Fund is a major fund. The General Fund's fund balance increased by \$1.8 million, to \$29.6 million at June 30, 2022 from \$31.3 million at June 30, 2021. This represents a 5% increase in fund balance. In the previous year, the fund balance increased by \$4.8 million or 18.44%. Ad valorem tax increased \$56,850 or .5%. We continue to rely on other funding sources, when available, to enhance the educational opportunities provided through our General Fund. Unassigned fund balance was \$3.8 million at June 30, 2022 in the General Fund.

No Child Left Behind – The No Child Left Behind is a major fund. Total federal grants increased \$3.6 million or 21%.

Non-Major Governmental Funds – The nonmajor funds' fund balances were generally stable.

Budgetary Highlights

The School Board, in accordance with state law, must adopt a budget on the General Fund and most Special Revenue Funds prior to September 15 of each year. In accordance with state law, the School Board may have variances of 5% of total revenues or expenditures in a fund before it is legally required to amend the budget. The School Board adopted its 2021-2022 budget on August 1, 2021.

The original budgeted General Fund revenues increased by 2% or \$1.9 million from \$87.8 million to \$89.7 million. The major change in budgeted revenue was an increase in sales tax revenue. The budgeted expenditures decreased from the original budget to the final budget by \$4.3 million or 5%.

The original budgeted No Child Left Behind Fund revenues increased 11% or \$2.1 million from \$18.7 million to \$20.8 million. The major change in budgeted revenue was an increase in federal grant money. The budgeted expenditures increased from the original budget to the final budget by \$2.1 million or 11%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital assets of the School Board used in the performance of general School Board functions are recorded in the fund financial statements as expenditures when purchased. The amount represents the original cost of the assets. Depreciation of capital assets is not recognized in the fund financial statements as explained in the notes to the basic financial statements. In the government-wide financial statements, the capital assets are recorded as assets at their original cost at the time of purchase or fair market value, if donated. Depreciation of capital assets has been recognized in the government-wide financial statements.

At June 30, 2022, the School Board had \$36.7 million invested in land, buildings and improvements and furniture and equipment and construction in progress, net of depreciation. Net capital assets increased by \$4.8 million, or 15% during the current fiscal year. In accordance with State guidelines, effective with the 2002-2003 fiscal year, items costing less than \$1,000 are considered supplies, items costing between \$1,000 and \$5,000 are tagged and tracked, and items costing \$5,000 and more are capitalized. Table 4 presents capital assets net of depreciation at June 30, 2022.

Table 4
Governmental Activities
Capital Assets at Year End
Net of Depreciation
Year Ended June 30, 2022
(With Comparative Totals for June 30, 2021)

	2022	2021
Land	\$ 1,298,464	\$ 1,298,464
Buildings and improvements	26,947,267	24,512,664
Furniture and equipment	6,104,269	5,740,959
Construction in progress	2,403,589	405,442
Total	<u>\$ 36,753,589</u>	<u>\$ 31,957,529</u>

Debt

At June 30, 2022, the School Board had \$5.0 million in taxable certificates of indebtedness (Qualified Zone Academy Bond Program (QZAB) and Qualified School Construction Bonds (QSCB) and \$12.800 in obligations under capital leases. Of the amount outstanding, \$686,571 is due within one year. Table 5 summarizes bonds and capital leases outstanding at June 30, 2022.

Table 5
Governmental Activities
Outstanding Debt
Year Ended June 30, 2022
(With Comparative Totals for June 30, 2021)

	<u>2022</u>	<u>2021</u>
Taxable Certificates of Indebtedness:		
Qualified Zone Academy Bond (QZAB)	\$ 4,460,901	\$ 4,884,230
Qualified School Construction Bonds (QSCB)	600,000	800,000
Obligations under capital lease	<u>12,800</u>	<u>347,216</u>
 Total	 <u>\$ 5,073,701</u>	 <u>\$ 6,031,446</u>

The state limits the amount of general obligation debt that school boards can issue to 35% of the assessed value of all taxable property within the school board's corporate limits. At June 30, 2022, the School Board's maximum legal debt limit was \$147.4 million. The District's outstanding general obligation bonded debt of \$5.0 million is well below the maximum debt limit. Other long-term obligations of the School Board include accrued vacation pay and sick leave, the obligation for post-retirement benefits and the proportionate share of the state pension plans the School Board participates. We present more detailed information about our long-term obligations in Note 7 to the basic financial statements.

FOR THE FUTURE

The School Board's General Fund unassigned fund balance has decreased by \$1.8 million. The decrease in fund balance is attributable to increased expenditures that occurred in fiscal year 2022 compared to fiscal year 2021. For example, roof repairs increased by \$1.1 million for damages related to Hurricane Delta, property insurance increased by \$173,584, DS Bus contract expense increased by \$525,000 and support employee pay raises of \$370,000 also occurred in fiscal year 2022. The School Board is anticipating continued minimum increases in property tax collections and increased funding from the state to be used for employee pay raises in the amount of \$1,500 per year for professional staff and \$750 per year for support staff. Sales tax collections are expected to increase by about 4% for fiscal year 2023.

The School Board's share of group health insurance for active and retired employees is expected to increase in fiscal year 2023 due to a 3.9% premium increase. On average premiums increase from 3% to 5% annually. For the 2022-2023 year pay raises in the amount of \$1,500 per year for professional staff and \$750 per year for support staff are expected to be funded by the state through the MFP funding formula. No local pay increases are expected to be funded in fiscal year 2023.

Initiatives of the Acadia Parish School Board for 2022-2023 include: (1) closing the learning gap caused by the school system shutdown in regards to the COVID-19 pandemic; (2) maintaining a safe and healthy learning environment for all students and staff of the parish; (3) provide access to high quality instructional materials to each and every student in the parish. Although we have some concerns about increasing expenditures in certain areas, overall, we feel that the future of the School Board is steady, both financially and educationally.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the revenue it receives. If you have questions about this report or need additional financial information, contact Justin Carrier, Chief Financial Officer, Acadia Parish School Board, Post Office Box 309, Crowley, Louisiana, 70527.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

ACADIA PARISH SCHOOL BOARD

STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES

June 30, 2022

ASSETS

Cash	\$ 23,392,634
Certificates of deposit	10,063,618
Investments	6,163,994
Receivables	11,023,342
Due from external parties	809,453
Inventories	1,010,053
Prepaid expenses	85,000
Capital assets, net	<u>36,753,589</u>
Total assets	<u>\$ 89,301,683</u>

DEFERRED OUTFLOWS OF RESOURCES

Total deferred outflows of resources	<u>\$ 23,196,772</u>
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LIABILITIES

Accounts, salaries and other payables	12,329,365
Unearned revenue	692,191
Interest payable	34,550
Long-term liabilities:	
Due within one year	1,819,732
Due in more than one year	<u>297,233,640</u>
Total liabilities	<u>\$ 312,109,478</u>

DEFERRED INFLOWS OF RESOURCES

Total deferred inflows of resources	<u>\$ 143,553,358</u>
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(continued)

ACADIA PARISH SCHOOL BOARD

STATEMENT OF NET POSITION (CONTINUED)
GOVERNMENTAL ACTIVITIES

June 30, 2022

NET POSITION

Net investment in capital assets	\$ 36,753,589
Restricted for:	
Sales tax supplement	3,875,071
Special purposes	7,621,819
Insurance	1,019,707
Workers compensation	879,224
Unrestricted (deficit)	<u>(393,313,791)</u>
Total net position (deficit)- Restated (See Note 20)	<u>\$ (343,164,381)</u>

See Notes to Financial Statements

ACADIA PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
			Operating	Capital Grants and Contributions	
	Expenses	Charges for Services	Grants and Contributions	s	Governmental Activities
Governmental activities:					
Instruction -					
Regular programs	\$ 53,134,127	\$ -	\$ 397,921	\$ -	\$ (52,736,206)
Special education programs	8,187,759	-	782,308	-	(7,405,451)
Vocational education programs	2,139,679	-	144,400	-	(1,995,279)
Other instructional programs	4,289,158	3,223,116	756,213	-	(309,829)
Special programs	11,379,884	-	10,074,112	-	(1,305,772)
Adult and continuing education programs	52,429	-	-	-	(52,429)
Support services -					
Pupil support services	7,236,213	752,564	2,252,992	-	(4,230,657)
Instructional staff support services	11,227,623	-	6,430,836	-	(4,796,787)
General administration	2,780,948	-	2,481,968	-	(298,980)
School administration	7,181,009	-	201,764	-	(6,979,245)
Business services	984,645	-	136,969	-	(847,676)
Operation and maintenance of plant services	12,191,736	6,672	1,493,120	-	(10,691,944)
Student transportation services	6,608,002	-	110,062	-	(6,497,940)
Central services	1,343,989	-	146,002	-	(1,197,987)
Non-instructional services -					
Food services	8,303,818	59,856	8,663,232	-	419,270
Community service programs	340,481	-	267,291	-	(73,190)
Facilities acquisition and construction	3,230,304	-	2,093,573	78,360	(1,058,371)
Interest on long-term debt	55,412	-	-	-	(55,412)
Total governmental activities	<u>\$ 140,667,216</u>	<u>\$ 4,042,208</u>	<u>\$ 36,432,763</u>	<u>\$ 78,360</u>	<u>\$ (100,113,885)</u>
General Revenues					
Taxes:					
Ad valorem taxes, levied for -					
General purposes					\$ 10,679,325
Special purposes					1,934,569
Sales and use taxes levied for -					
General purposes					10,611,001
Special purposes					5,305,505
Sales and use taxes collection fees					523,644
State revenue sharing					247,052
Grants and contributions not restricted to specific programs -					
State source - Minimum Foundation Program					56,693,410
State source - Other Program					297,386
Interest and investment earnings					84,505
Miscellaneous					1,169,854
Loss on disposal of capital assets					(412,744)
Total general revenues					<u>\$ 87,133,507</u>
Change in net position					\$ (12,980,378)
Prior Period Adjustment (See Note 20)					\$ (1,629,706)
Net position, beginning					<u>\$ (328,554,297)</u>
Net position, ending					<u><u>\$ (343,164,381)</u></u>

See Notes to Financial Statements.

FUND FINANCIAL STATEMENTS

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ACADIA PARISH SCHOOL BOARD

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

ASSETS	General Fund	No Child Left Behind	Other Nonmajor Governmental Funds	Total
Cash and equity in pooled cash	\$ 23,392,634	\$ -	\$ 7,757,132	\$ 31,149,766
Certificates of deposit	10,063,618	-	-	10,063,618
Investments	6,163,994	-	-	6,163,994
Receivables	569,615	7,775,578	1,148,812	9,494,005
Due from other funds	809,453	-	-	809,453
Inventories	281,121	-	728,932	1,010,053
Prepaid expenses and other assets	85,000	-	-	85,000
Total assets	<u>\$ 41,365,435</u>	<u>\$ 7,775,578</u>	<u>\$ 9,634,876</u>	<u>\$ 58,775,889</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Pooled cash deficit	\$ -	\$ 7,219,297	\$ 618,557	\$ 7,837,854
Accounts payable	1,337,462	356,436	139,350	1,833,248
Accrued salaries and related benefits	9,664,257	199,845	526,218	10,390,320
Unearned revenue	692,191	-	-	692,191
Other payables	105,797	-	-	105,797
Total liabilities	<u>\$ 11,799,707</u>	<u>\$ 7,775,578</u>	<u>\$ 1,284,125</u>	<u>\$ 20,859,410</u>
Fund balances:				
Nonspendable -				
Inventory	\$ 281,121	\$ -	\$ 728,932	\$ 1,010,053
Prepaid expenses	85,000	-	-	85,000
Restricted for -				
Sales tax supplement	3,875,071	-	-	3,875,071
Special purposes	-	-	7,621,819	7,621,819
Insurance	1,019,707	-	-	1,019,707
Workers compensation	879,224	-	-	879,224
Committed for -				
Operations	8,050,000	-	-	8,050,000
Pay supplements	6,000,000	-	-	6,000,000
Debt service	3,000,000	-	-	3,000,000
Roof repairs	1,750,677	-	-	1,750,677
Capital improvements	500,000	-	-	500,000
Transportation	250,000	-	-	250,000
Unassigned	3,874,928	-	-	3,874,928
Total fund balances	<u>\$ 29,565,728</u>	<u>\$ -</u>	<u>\$ 8,350,751</u>	<u>\$ 37,916,479</u>
Total liabilities and fund balance	<u>\$ 41,365,435</u>	<u>\$ 7,775,578</u>	<u>\$ 9,634,876</u>	<u>\$ 58,775,889</u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2022

Total fund balances for governmental funds at June 30, 2022		\$ 37,916,479
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land and construction in progress	\$ 3,702,053	
Buildings and improvements, net of \$52,484,164 accumulated depreciation	26,947,267	
Furniture and equipment, net of \$12,397,957 accumulated depreciation	<u>6,104,269</u>	36,753,589
Long-term liabilities at June 30, 2022:		
Bonds payable	\$ (5,060,901)	
Equipment capital lease	(12,800)	
Accrued interest payable	(34,550)	
Compensated absences payable	(5,002,443)	
Workers compensation claims payable	(936,079)	
Net OPEB obligation payable	(235,843,756)	
Net pension liabilities	<u>(52,116,671)</u>	(299,007,200)
Sales taxes which are not "measured" at year end and, therefore, are not available soon enough to pay for current period expenditures		1,529,337
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred Outflows	23,196,772	
Deferred Inflows	<u>(143,553,358)</u>	<u>(120,356,586)</u>
Net position at June 30, 2022		<u><u>\$ (343,164,381)</u></u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2022

	General Fund	No Child Left Behind	Other Nonmajor Governmental Funds	Total
Revenues:				
Local sources-				
Ad valorem taxes	\$ 12,613,894	\$ -	\$ -	\$ 12,613,894
Sales taxes	15,892,362	-	-	15,892,362
Sales tax fees	522,711	-	-	522,711
Other	3,377,774	-	-	3,377,774
Total local sources	\$ 32,406,741	\$ -	\$ -	\$ 32,406,741
State sources	57,237,848	-	1,271,219	58,509,067
Federal sources	78,360	20,833,111	14,328,433	35,239,904
Other sources	-	-	4,035,536	4,035,536
Total revenues	\$ 89,722,949	\$20,833,111	\$ 19,635,188	\$130,191,248
Expenditures:				
Current -				
Instruction:				
Regular programs	\$ 43,340,748	\$ 329,260	\$ 68,661	\$ 43,738,669
Special education programs	6,038,562	-	782,308	6,820,870
Vocational education programs	1,773,485	-	144,400	1,917,885
Other instructional programs	436,521	756,213	2,895,010	4,087,744
Special programs	115,208	7,713,590	2,625,263	10,454,061
Adult and continuing education programs	44,820	-	-	44,820
Support services:				
Pupil support services	3,685,882	980,003	1,272,989	5,938,874
Instructional staff support services	2,842,475	5,847,357	583,670	9,273,502
General administration	1,554,634	49,415	315,809	1,919,858
School administration	5,708,211	-	201,764	5,909,975
Business services	689,747	92,489	44,480	826,716
Operation and maintenance of plant services	12,713,765	1,067,206	425,914	14,206,885
Student transportation services	6,212,595	-	110,062	6,322,657
Central services	948,269	143,709	2,293	1,094,271
Non-instructional services:				
Food services	416,236	-	6,929,088	7,345,324
Community service programs	10,400	-	267,291	277,691
Facilities acquisition and construction	4,222,874	2,093,573	-	6,316,447
Indirect cost	-	1,760,296	356,448	2,116,744
In-kind	-	-	752,564	752,564
Debt service -				
Principal retirement	957,746	-	-	957,746
Interest and fiscal charges	59,717	-	-	59,717
Total expenditures	\$ 91,771,895	\$20,833,111	\$ 17,778,014	\$130,383,020

(continued)

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2022

	General Fund	No Child Left Behind	Other Nonmajor Governmental Funds	Total
Excess of revenues over expenditures	\$ (2,048,946)	\$ -	\$ 1,857,174	\$ (191,772)
Other financing sources (uses):				
Proceeds from sale of assets and insurance claims	\$ 422,193	\$ -	\$ 259	\$ 422,452
Transfers in	7,447,390	-	143,123	7,590,513
Transfers out	(7,590,512)	-	-	(7,590,512)
Total other financing sources (uses)	\$ 279,071	\$ -	\$ 143,382	\$ 422,453
Net change in fund balance	\$ (1,769,875)	\$ -	\$ 2,000,556	\$ 230,681
Fund balances, as previously stated	\$ 31,335,603	\$ -	\$ 6,350,195	\$ 37,685,798
Adoption of GASB 84	-	-	-	-
Fund balances as restated	\$ 31,335,603	\$ -	\$ 6,350,195	\$ 37,685,798
Fund balances, ending	\$ 29,565,728	\$ -	\$ 8,350,751	\$ 37,916,479

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF THE STATEMENT OF STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
June 30, 2022

Total net change in fund balances for the year ended at June 30, 2022 per statement of revenues, expenditures and changes in fund balances.		\$ 230,681
Add: Facilities acquisition and constructions costs which are considered as expenditures on statement of revenues, expenditures and changes in fund balance.	\$ 8,055,753	
Less: Disposals of capital assets	(9,708)	
Less: Depreciation expense for year ended June 30, 2022	<u>(3,249,985)</u>	4,796,060
Add: Long-term debt retirement considered as an expenditure on Statement of revenues, expenditures and changes in fund balance		957,746
Add: School Districts pension contributions for fiscal year ended June 30, 2022.	\$ 13,588,852	
Less: Cost of benefits earned net of employee contributions (pension expense).	<u>(14,114,904)</u>	(526,052)
Less: Increase in compensated absences for the year ended June 30, 2022.		(83,665)
Less: OPEB expense net of benefits paid for the year ended June 30, 2022.		(18,233,695)
Less: Excess of insurance claims incurred over claims paid.		(100,375)
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis.		4,307
Less: Net sales tax revenues which are collected several months after year end and are not considered available in the governmental funds.		<u>(25,385)</u>
Total change in net position for the year ended June 30, 2022 per statement of activities		<u><u>\$ (12,980,378)</u></u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2022

	<u>Sales Tax Fund</u>
ASSETS	
Cash and equity in pooled cash	<u>\$ 2,753,863</u>
LIABILITIES	
Accounts payable	\$ 1,941,927
Due to other funds	809,453
Accrued interest payable	<u>2,483</u>
Total liabilities	<u>\$ 2,753,863</u>
NET POSITION: restricted	<u>\$ -</u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
June 30, 2022

	<u>Sales Tax Fund</u>
ADDITIONS:	
Sales tax collected	\$ 52,133,212
DEDUCTIONS:	
Sales tax proceeds distributed to taxing authorities, net of collection costs	<u>52,133,212</u>
Net increase (decrease) in fiduciary net position	\$ -
Net position, beginning	<u>-</u>
Net position, ending	<u><u>\$ -</u></u>

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Acadia Parish School Board (the "School Board") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the School Board are described below.

Financial reporting entity:

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

The School Board operates 26 schools within the parish with a total enrollment of 9,458 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

For financial reporting purposes, the School Board includes all funds and activities for which the School Board exercises financial accountability. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, the School Board is a separate governmental reporting entity, primary government.

Basic financial statements:

The basic financial statements include both government-wide financial statements (based on the School Board as a whole) and fund financial statements. In the government-wide statement of net position, the governmental activities (a) are presented on a consolidated basis, and (b) are reflected on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Fiduciary activities are not included in the government-wide financial statements.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation:

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

NOTES TO FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property, franchise, sales and hotel occupancy taxes, and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the government receives cash.

The various funds of the School Board are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the School Board or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The School Board reports the following major governmental funds:

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 other funds.

The No Child Left Behind Fund is a special revenue fund of the School Board. This fund accounts for the revenues and expenditures related to federal grants.

Additionally, the School Board reports the following fund types:

Special Revenue Funds – Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs and the school activity funds.

Fiduciary Funds – Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the School Board. The funds accounted for in this category by the School Board are the custodial funds. The custodial fund is as follows:

Sales Tax Fund – Accounts for monies collected on behalf of other taxing authorities within the parish.

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

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When fund balance resources are available for a specific purpose in more than one classification, it is the School Board's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Indirect expenses –

NOTES TO FINANCIAL STATEMENTS

Indirect expenses not allocated to functions 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.

Revenues –

Federal and state entitlements (unrestricted grants-in-aid, which include state equalization and state revenue sharing) are recorded when available and measurable. Expenditure-driven federal and state grants, which are restricted as to the purpose of the expenditures, are recorded when the reimbursable expenditures have been incurred.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed in November, by the Parish Assessor, based on the assessed value and become due on December 31 of each year. The taxes become delinquent on January 1. An enforceable lien attaches to the property as of January 1. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected but not received by the Acadia Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations.

Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned.

Sales and use tax revenues are recorded in the month collected by the School Board.

Substantially, all other revenues are recorded when received.

Expenditures –

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a 12-month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due.

All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other financial sources (uses) –

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

Unearned revenues –

Unearned revenues arise when resources are received before the School Board has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or when tuition is received in advance of the commencement of classes.

In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized. Recognition of revenue from ad valorem tax collections has been deferred in instances where the School Board has been advised by the tax collecting authority that certain amounts have been

NOTES TO FINANCIAL STATEMENTS

paid in protest. Recognition of revenue from minor federal and state grant advances has been deferred to the next fiscal year to allow proper matching of revenues and expenditures.

Assets, deferred outflows, liabilities, deferred inflows and equity:

Cash –

For purposes of the statement of net position, cash includes all demand accounts, savings accounts, and certificates of deposits of the School Board with an original maturity of three months or less from the date of acquisition.

Investments –

Investments are stated at fair value. Fair value is defined as the amount at which a financial instrument could be exchanged in a current asset transaction between willing parties. Fair value was determined based on quoted market prices.

Fair value measurements –

Investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 – investments reflect prices quoted in active markets.

Level 2 – investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 – investments reflect prices based upon unobservable sources.

The categorization of investments with the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified as Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Investments classified as Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Investments classified as Level 3 are valued based upon unobservable sources.

Interfund receivables and payables –

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables –

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

Inventories –

The cost of inventories is recorded as expenditures when consumed rather than when purchased. Reserves are established for an amount equal to the carrying value of inventories.

Inventory of the General Fund consists of instructional supplies maintained in the central warehouse for use of all schools, and janitorial and electrical supplies maintained in the central warehouse for the use of all departments and schools. All inventory purchased are valued at cost (first-in, first-out).

NOTES TO FINANCIAL STATEMENTS

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventories are recorded as expenses when consumed. Commodities inventory at year end is recorded as deferred revenue. All inventory items purchased are valued at the lower of cost or market (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

Capital assets –

The accounting treatment over property, plant, and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense of the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful life using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	15 – 40 years
Furniture and equipment	5 – 10 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities capital outlay expenditures of the governmental fund upon acquisition.

Compensated absences –

All 12-month employees earn 5 to 15 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated up to a maximum of 40 days. Upon retirement or termination of employment, the employee may choose to be paid for any unused accumulated vacation days or may convert such unused accumulated vacation leave to service credit for retirement purposes if allowed by the retirement system.

All employees earn up to 10 days of sick leave each year, depending on the number of months of the school year they are employed by the School Board. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 45 days is paid to employees (or heirs) at the employee's current rate of pay. Under the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System, the total unused accumulated sick leave, including the 45 days paid, is used in the retirement benefit computation as earned service. Under the Teachers' Retirement System of Louisiana, and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 45 days paid, is used in the retirement benefit computation as earned service.

Act 1341 of 1999 changed the extended sick leave (gayle pay) regulations for public school employees. The Act provides that if teachers and school bus operators have no remaining sick leave, they are allowed up to 90 days extended sick leave in a six-year period. During these 90 days, the employee is paid 65% of their pay at the time that the leave begins.

Act 1342 of 1999 changed the sabbatical leave regulation. The Act allows both sabbatical medical leave and professional and cultural development sabbatical for teachers. It provides for two sabbatical semesters immediately following 12 or more consecutive semesters of consecutive service or one semester immediately following six semesters of consecutive service. Sabbatical medical leave may be granted if the teacher's regular sick leave balance is 45 days or less at the beginning of the sabbatical. No more than 5% of the workforce can be on sabbatical at the same time. During sabbatical, the employee is paid 65% of their pay at the time the leave begins.

NOTES TO FINANCIAL STATEMENTS

In the government-wide statements, the School Board accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. No compensated absences liability is recorded in the governmental fund financial statements.

Long-term debt –

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable, capital leases, accrued compensated absences, workers' compensation claims payable, post-retirement health care and life insurance benefits obligation and pension liabilities. For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

For the purposes of measuring the net Post-Retirement Health Care and Life Insurance Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Acadia Parish School Board Retiree Medical Plan (School Board OPEB Fund) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by School Board OPEB Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the three state retirement plans School Board employees participate, Teachers' Retirement System of Louisiana (TRSL), Louisiana School Employees' Retirement System (LSERS) and Louisiana State Employees Retirement System (LASERS), and additions to/deductions from the respective plans' fiduciary net position have been determined on the same basis as they are reported by the systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Equity classifications –

In the government-wide statements, equity is classified as net position and displayed in three components:

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 borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on the use either 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. At June 30, 2022, the School Board reported \$13,395,821 of restricted net position.

Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

NOTES TO FINANCIAL STATEMENTS

Nonspendable fund balance – amounts that are not in a spendable form (such as inventory and prepaid) or are required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board establishes (and modifies or rescinds) fund balance commitment by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Budget practices:

The proposed budget for 2022 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2022 budget on August 1, 2022. In accordance with R.S.17:88(A), parish school boards must adopt the budget no later than September 15 of each year. The budget, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds was published in the official journal 10 days prior to the public hearing. The budgets for the General and Special Revenue Funds for the fiscal year 2022 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds. The Superintendent and/or Assistant Superintendents are authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by 5% or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by 5% or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Actual expenditures in the General Fund exceeded the final budgeted amounts by \$932,966 for the year ended June 30, 2022, which is within the allowed variance requirement.

Encumbrances:

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized for the General Fund and Special Revenue Funds. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbered appropriations lapse at the close of the fiscal year but are appropriately provided for in the subsequent year's budget.

Revenue restrictions:

The School Board has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

NOTES TO FINANCIAL STATEMENTS

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Ad valorem taxes	See Note 3
Sales taxes	See Note 8

The School Board uses unrestricted resources only when restricted resources are fully depleted.

Capitalization of interest expense:

It is the policy of the School Board to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. At June 30, 2022, there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimate 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.

Interfund transfers:

Permanent reallocation of resources between funds is classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual funds have been eliminated.

Impairments:

The School Board evaluates long-term assets to be held and used for impairment when events or changes in economic circumstances indicate the carrying value of such assets may be unrecoverable. The School Board uses an estimate of the future undiscovered net cash flows to measure whether the assets are recoverable and measured for impairment by reference to fair value. Fair value is generally estimated using the School Board's expectations of discounted net cash flows. Long-term assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

Recent accounting pronouncements:

The Governmental Accounting Standard Board (GASB) issued *GASB Statement No. 84 – Fiduciary Activities*. The requirements of this Statement were effective for reporting periods beginning after December 15, 2018, however, on May 8, 2020, the GASB extended the required implementation period to reporting periods beginning after December 15, 2019. The objective of this statement is to provide guidance regarding the identification of fiduciary activities for accounting financial reporting purposes and how those activities should be reported. The Statement establishes criteria for identifying fiduciary activities of all state and local governments. School Board adopted this Standard on July 1, 2020. The adoption of this statement changed the classification of the School Activity Fund from a Fiduciary Fund to a Special Revenue Fund and resulted in a change in net position and fund balance of \$2,003,827.

Upcoming accounting pronouncements:

The Governmental Accounting Standard Board (GASB) issued *GASB Statement No. 89 – Accounting for interest costs incurred before the end of a construction period* as amended by *GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance*. The requirements of this Statement were effective for reporting periods beginning after December 15, 2019, however, on May 8, 2020, the GASB extended the required implementation period to reporting periods beginning after December 15, 2020. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Any changes related to the adoption of this Statement will be applied prospectively. GASB 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The School Board is continuing to assess the impact the adoption of this Statement will have on the financial statements going forward.

NOTES TO FINANCIAL STATEMENTS

The Governmental Accounting Standard Board (GASB) issued *GASB Statement No. 87 – Leases* as amended by *GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance*. The requirements of this Statement were effective for reporting periods beginning after December 15, 2019, however, on May 8, 2020, the GASB extended the required implementation period to reporting periods beginning after June 15, 2021. The objective of this statement is to establish standards of accounting and financial reporting for leases by lessees and lessors. Any changes related to the adoption of this Statement will be applied retroactively by restating any prior periods presented unless not practicable in which case a cumulative effect of application will be reported as restatement of beginning net position for the earlier period restated. The School Board is continuing to assess the impact the adoption of this Statement will have on the financial statements going forward.

Note 2. Cash and Investments

Cash and cash equivalents:

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The School Board consolidates cash into a pooled cash account. Each fund's equity (deficit) in the pooled cash accounts as of June 30, 2022 is as follows:

Total Pooled Cash in Bank	<u>\$ 20,825,285</u>
General Fund	\$ 23,387,652
State Programs	364,249
Special Education	(430,899)
No Child Left Behind	(7,218,532)
Headstart	(187,658)
Special Federal Funds	-
School Lunch Fund	4,904,866
Sales Tax	<u>5,607</u>
Total Pooled Cash by Fund	<u>\$ 20,825,285</u>

At June 30, 2022, the School Board has cash and cash equivalents (book balances) totaling \$26,065,774 as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Demand Deposits	\$ 22,999,712	\$ 2,753,863	\$ 25,753,575
Interest-Bearing Accounts	312,050	-	312,050
Petty Cash	<u>150</u>	<u>-</u>	<u>150</u>
Total	<u>\$ 23,311,912</u>	<u>\$ 2,753,863</u>	<u>\$ 26,065,775</u>

Certificates of Deposit:

At June 30, 2022, the School Board's interest-bearing certificates of deposit, held in the General Fund, totaled \$10,063,618, which had interest rates from .10% to 1.75%.

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to

NOTES TO FINANCIAL STATEMENTS

recover the collateral securities that are in the possession of an outside party. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually accepted to both parties.

As of June 30, 2022, the School Board's total bank balances were fully insured and collateralized with securities held in the name of the School Board by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk. Of the bank balances \$2,000,000 was secured from risk by federal deposit insurance and the remainder by pledged securities held by the custodial banks in the name of the fiscal agent bank (GASB Category 3).

Investments:

The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the State of Louisiana, which operates a local government investment pool.

The School Board participates in LAMP. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool, therefore, no disclosure is required. Credit risk is the risk that the issuer or other counterparty to an investment will be unable to meet its obligations. LAMP is rated AAAM by Standard & Poor's. Inherent rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of the investment. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consist of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

In 1999, the Louisiana State Legislature created the Millennium Trust to provide for the disposition of proceeds from the tobacco settlement. The same legislation that created the Millennium Trust, Louisiana Revised Statute (LRS) 39:98.1-98.5, also established the Education Excellence Fund (EEF) as a component of the Millennium Trust. The Louisiana Department of Education (LDOE) is responsible for providing the appropriations and oversight of monies from the Education Excellence Fund with the specific purpose of ensuring that all expenditures are used to support "excellence in educational practice." The Millennium Trust Fund is invested by the Louisiana State Treasurer. The School Board has been participating in the Education Excellence Fund since 2003.

The School Board has reported their investments at fair value on June 30, 2022. Fair value was determined by obtaining "quoted" year-end market prices.

NOTES TO FINANCIAL STATEMENTS

Credit rate risk: The credit rate risk of the governmental funds investments is managed by restricting investments to those authorized by R.S. 33:5162.

Concentration of credit risk: R.S. 33:5162 provides that all fixed income investments be appropriately diversified by maturity, security, sector, and credit quality. At June 30, 2022, no more than 5 percent of the governmental fund's total investments were investments in any single issue.

Interest rate risk: The interest rate risk of the investments is managed by restricted investments to those that are deemed creditworthy and authorized by R.S. 33:5162.

As of June 30, 2022, the School Board's fair value measurements were classified as follows:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using			
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Identical Other Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value
Louisiana Asset Management Pool	\$2,111,649	\$ -	\$ -	\$ -	\$2,111,649
Government Securities	3,360,154	3,360,154	-	-	-
Education Excellence Fund	692,191	-	692,191	-	-
Total Investments	<u>\$6,163,994</u>	<u>\$ 3,360,154</u>	<u>\$ 692,191</u>	<u>\$ -</u>	<u>\$2,111,649</u>

Note 3. Ad Valorem Taxes

The following ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2022, taxes were levied by the School Board in July 2021 and were billed to taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions.

For the year ended June 30, 2022, taxes were levied on property with net assessed valuations totaling \$421,134,872 for the parish wide taxes and an aggregate of \$192,220,092, collectively, for the school districts and were dedicated as follows:

Parish wide taxes:		
Constitutional	5.14	mills
Maintenance	15.03	mills
School Tax	5.02	mills
Total General Fund	<u>25.19</u>	mills
School District No. 7 (5 th Ward) - maintenance	13.40	mills
School District No. 8 (Iota-Egan) - maintenance	9.83	mills
School District No. 6 (Church Point) - additional funding	<u>9.85</u>	mills
Total Assessment	<u>58.27</u>	mills

Taxes levied for the current fiscal year, net of homestead exemptions, totaled \$12,592,199. After deductions for various pension distributions and uncollectible taxes and additional collections of past due taxes from prior years, net taxes remitted to the School Board amounted to \$12,598,782.

NOTES TO FINANCIAL STATEMENTS

Note 4. Receivables

Receivables on June 30, 2022 of \$11,023,342 consisted of the following:

Grants	\$ 8,924,390
Sales Tax	1,529,337
Accrued Interest	12,970
Other	<u>556,645</u>
Total Receivables	<u><u>\$ 11,023,342</u></u>

Note 5. Capital Assets

Capital asset balances and activity for the year ended June 30, 2022 is as follows:

	Beginning Balance	Additions/ (Transfers)	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 1,298,464	\$ -	\$ -	\$ 1,298,464
Construction in Progress	405,442	1,998,147	-	2,403,589
Other Capital Assets:				
Building and Improvements	75,107,062	4,332,169	7,800	79,431,431
Furniture and Equipment	16,810,737	1,725,437	33,948	18,502,226
Total	<u>\$ 93,621,705</u>	<u>\$ 8,055,753</u>	<u>\$ 41,748</u>	<u>\$ 101,635,710</u>
Less Accumulated Depreciation:				
Building and Improvements	\$ 50,594,398	\$ 1,895,990	\$ 6,224	52,484,164
Furniture and Equipment	11,069,778	1,353,995	25,816	12,397,957
Total	<u>\$ 61,664,176</u>	<u>\$ 3,249,985</u>	<u>\$ 32,040</u>	<u>\$ 64,882,121</u>
Net Capital Assets	<u>\$ 31,957,529</u>	<u>\$ 4,805,768</u>	<u>\$ 9,708</u>	<u>\$ 36,753,589</u>

Depreciation expense was charged to governmental activities as follows, which includes depreciation expense for assets purchased under a capital lease:

Regular programs	\$ 71,930
Special education programs	826
Vocational education programs	8,478
Pupil support services	1,749
Operation and maintenance of plant services	184,438
Student transportation services	747,127
Central services	96,991
Food services	128,979
Facility acquisition and construction	<u>2,009,467</u>
Total Depreciation Expense	<u><u>\$ 3,249,985</u></u>

Note 6. Accounts, Salaries, and Other Payables

At June 30, 2022, accounts, salaries, and other payables of \$12,329,365 consisted of the following:

NOTES TO FINANCIAL STATEMENTS

Accrued salaries and related benefits payable	\$ 10,390,320
Accounts payable	1,833,248
Other payables	105,797
Total Accounts, Salaries and Other Payables	<u>\$ 12,329,365</u>

Note 7. Long-Term Liabilities

Obligations under capital lease for buses, due in monthly installments of \$6,421, including interest at 2.6%, maturing September 7, 2022. \$ 12,800

Obligations under capital lease for buses, due in annual installments of \$265,706, including interest at 2.68%, matured May 24, 2022. -

\$3,000,000 Certificates of Indebtedness (Taxable Qualified School Construction Bonds - QSCB), Series 2009, due in annual installments of \$200,000, plus interest at 0.8% due October 1, 2024, (to be retired from excess annual revenues). 600,000

\$7,358,000 Taxable Limited Tax Revenue Bonds (Qualified Zone Academy Bond - QZAB), Series 2014, due in September 16, 2031, interest at 0.95% (to be retired from excess annual revenues). 4,460,901
\$ 5,073,701

Other liabilities at June 30, 2022 were comprised of the following components:

Accrued compensated absences	5,002,443
Worker's compensation claims payable	936,079
Net OPEB obligation	235,843,756
Proportionate share of pension liabilities:	
Teachers' Retirement System of Louisiana (TRSL)	48,059,781
Louisiana School Employees Retirement System (LSERS)	3,915,832
Louisiana State Employees' Retirement System (LASERS)	<u>136,058</u>

Total Long-Term Liabilities \$298,967,650

The long-term debt is due as follows:

Years Ending June 30,	Bonds Payable		Capital Lease Obligation		Total
	Principal	Interest	Principal	Interest	
2023	\$ 627,350	\$ 46,379	\$ 12,800	\$ 42	\$ 686,571
2024	631,410	40,719	-	-	672,129
2025	635,509	35,020	-	-	670,529
2026	439,646	30,083	-	-	469,729
2027	443,823	25,906	-	-	469,729
2028 - 2031	1,817,855	61,060	-	-	1,878,915
Thereafter	465,308	4,420	-	-	469,728
Total	<u>\$ 5,060,901</u>	<u>\$ 243,587</u>	<u>\$ 12,800</u>	<u>\$ 42</u>	<u>\$ 5,317,330</u>

Interest cost incurred and charged to expense in the government-wide financial statements for the year ended June 30, 2022 totaled \$55,412.

Total costs associated with the capital leases through June 30, 2022 were \$1,813,227 and the accumulated depreciation in the amount of \$1,203,590, which was included in capital assets on the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

Changes in General Long-Term Liabilities

During the year ended June 30, 2022, the following changes occurred in long-term liabilities transactions and balances:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due In One Year
Qualified School Construction Bond (2009)	\$ 800,000	\$ -	\$ 200,000	\$ 600,000	\$ 200,000
Qualified Zone Academy Bond, Series 2014	4,884,230	-	423,329	4,460,901	427,350
Obligations Under Capital Leases - Buses	88,446	-	75,646	12,800	12,800
Obligations Under Capital Leases - Buses	258,770	-	258,770	-	-
Accrued compensated absences	4,918,778	83,665	-	5,002,443	250,123
Worker's compensation claims payable	1,036,453	646,236	746,610	936,079	929,459
Net OPEB Obligation	355,909,086	18,233,695	138,299,025	235,843,756	-
Proportionate share of pension liability:					
TRSL	99,434,596	22,164,200	73,539,015	48,059,781	-
LSERS	6,840,200	1,005,143	3,929,511	3,915,832	-
LASERS	187,248	49,545	100,735	136,058	-
Total	<u>\$ 474,357,807</u>	<u>\$ 42,182,484</u>	<u>\$ 217,572,641</u>	<u>\$ 298,967,650</u>	<u>\$ 1,819,732</u>

Compensated absences typically will be liquidated by the General Fund and a few other governmental funds. Worker's compensation claims liabilities typically will be liquidated by the General Fund.

All principal interest requirements on the general obligation bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish.

Note 8. Sales and Use Taxes

The School Board is authorized to collect within the parish a 1% sales and use tax. The proceeds of the tax are dedicated to supplement salaries of teachers, school bus operators, and the expenditures of operating the schools, including salaries of other personnel. Also, effective October 1, 2004, the School Board is authorized to collect within the parish an additional one-half cent sales tax to supplement salaries and benefits of employees.

The sales tax department of the School Board is also authorized to collect sales and use taxes levied by various municipalities located in Acadia Parish. The municipalities pay the School Board a 1-1/2% fee for collecting their sales and use taxes. The collection and distribution of the above sales taxes are accounted for in the Sales Tax Agency Fund.

Note 9. Pension Plans

General Information about the Pension Plans

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"), the Louisiana School Employees' Retirement System ("LSERS"), or the Louisiana State Employees' Retirement System ("LASERS"), all of which are administered on a statewide basis. The authority to establish and amend the benefit terms of TRSL, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL, LSERS, and LASERS each issue publicly available audited financial reports that can be obtained at www.trsl.org, www.lasers.net, and www.lasersonline.org, respectively.

NOTES TO FINANCIAL STATEMENTS

Benefits Provided

TRSL

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 between January 1, 2011 and June 30, 2015 may retire with a 2.5% accrual rate after attaining age 60 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired on or after July 1, 2015 may retire with a 2.5% accrual rate 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. 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 30 years of service, regardless of age. Plan A is closed to new entrants. Plan B - Members 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.

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.

A retiring member is entitled to receive the maximum monthly 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 cannot 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 the 3rd anniversary of retirement eligibility. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional 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 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, and

NOTES TO FINANCIAL STATEMENTS

the deceased member had at least 10 years of creditable service, 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 21, 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) 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.

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of ad hoc permanent benefit increases (PBIs), 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 in 1989 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. Employees in eligible positions of higher education can make an irrevocable election to participate in ORP rather than TRSL. Participant and employer contributions are pooled and invested by their designated ORP carrier in the investment options of their choosing.

LSERS

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 twenty hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of schoolchildren. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. 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 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. A member who joined the System on or after July 1, 2015 is eligible for normal retirement if he has at least five years of creditable service and is at least age 62, 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. 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 System 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.

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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 DROP, 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 DROP. 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(E)(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 2A benefit, Option 3A benefit or Option 4A 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).

LASERS

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. LASERS rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan. A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements,

NOTES TO FINANCIAL STATEMENTS

becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than LASER's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child. The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

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

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 subplan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2022 are as follows:

NOTES TO FINANCIAL STATEMENTS

TRSL Sub Plan	Contribution Rates	
	School Board	Employees
K-12 Regular Plan	25.2%	8.0%
Plan A	25.2%	9.1%
Plan B	25.2%	5.0%

The School Board's contractually required composite contribution rate for the year ended June 30, 2022 was 25.2% 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 \$12,797,435 for the year ended June 30, 2022.

LSERS

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2022 was 28.7%. The actual employer rate for the year ended June 30, 2022 was 28.7%. A difference may exist due to the State Statute that requires the rate to be calculated in advance. Contributions to the pension plan from the School Board were \$791,417 for the year ended June 30, 2022.

LASERS

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 subplan pays a separate actuarially determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2022 are as follows:

LASERS Sub Plan	Contribution Rates	
	School Board	Employees
Employee hired before 7/01/06	39.5%	7.5%
Employee hired after 7/01/06	39.5%	8.0%

The School Board's contractually required composite contribution rate for the year ended June 30, 2022 was 39.5% 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 \$16,563 for the year ended June 30, 2022.

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

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

NOTES TO FINANCIAL STATEMENTS

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2021 and the change compared to the June 30, 2020 proportion.

	Net Pension Liability at June 30, 2022	Proportion at June 30, 2021	Increase (Decrease) to June 30, 2020 Proportion
TRSL	\$ 48,059,781	0.900203%	0.006293%
LSERS	3,915,832	0.823836%	-0.027510%
LASERS	136,058	0.002260%	0.000140%
	<u>\$ 52,111,671</u>		

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

	Pension Expense (Benefit)	Amortization	Total
TRSL	\$ (202,402)	\$ (216,894)	\$ (419,296)
LSERS	(125,721)	(2,762)	(128,483)
LASERS	9,539	12,188	21,727
	<u>\$ (318,584)</u>	<u>\$ (207,468)</u>	<u>\$ (526,052)</u>

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

<u>TRSL</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 245,462	\$ 726,693
Changes in assumptions	4,678,256	-
Net difference between projected and actual earnings on pension plan investments	-	32,441,741
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,443,047	2,299,557
Employer contributions subsequent to the measurement date	12,797,435	-
Total TRSL	<u>\$ 22,164,200</u>	<u>\$ 35,467,991</u>
<u>LSERS</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 84,699	\$ 56,899
Changes in assumptions	129,027	-
Net difference between projected and actual earnings on pension plan investments	-	1,489,811
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	280,104
Employer contributions subsequent to the measurement date	791,417	-
Total LSERS	<u>\$ 1,005,143</u>	<u>\$ 1,826,814</u>

NOTES TO FINANCIAL STATEMENTS

LASERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 134	\$ -
Changes in assumptions	3,333	-
Net difference between projected and actual earnings on pension plan investments	-	31,729
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,399	70
Employer contributions subsequent to the measurement date	16,563	-
Total LASERS	<u>\$ 27,429</u>	<u>\$ 31,799</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
TRSL	\$ 22,164,200	\$ 35,467,991
LSERS	1,005,143	1,826,814
LASERS	27,429	31,799
	<u>\$ 23,196,772</u>	<u>\$ 37,326,604</u>

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date of \$3,731,206 will be recognized as a reduction of net pension liability in the year ending June 30, 2022. The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
TRSL	\$ 12,797,435
LSERS	1,005,143
LASERS	27,429
	<u>\$ 23,196,772</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:

Years ending June 30:	TRSL	LSERS	LASERS	Total
2023	(5,704,661)	(422,129)	5,290	(6,121,500)
2024	(5,358,420)	(242,492)	(4,889)	(5,605,801)
2025	(5,650,273)	(359,006)	(7,209)	(6,016,488)
2026	(9,387,872)	(589,461)	(14,125)	(9,991,458)
	<u>(26,101,226)</u>	<u>(1,613,088)</u>	<u>(20,933)</u>	<u>(27,735,247)</u>

NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

	TRSL	LSERS
Valuation Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	
Actuarial Assumptions:		
Expected Remaining Service Lives	5 years	3 years
Investment Rate of Return	7.40% net of investment expenses	6.90% net of investment expenses
Inflation Rate	2.30% per annum.	2.50% per annum.
Salary Increases	3.1% - 4.6% varies depending on duration of service.	2013-2017 experience study, 3.25%
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 outline by ACT 399 of 2014.
Mortality	Mortality rates based on the RP-2014 White Collar Employee tables, White Collar Healthy Annuitant tables, and Disability tables. The base tables are adjusted from 2014-2018 using MP-2017 generational mortality improvement tables.	Mortality rates based on the RP-2014 Sex Distinct Employee Tables, Sex Distinct Disable Tables, and Healthy Annuitant Tables.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2012-2017) experience study of the System's members.	N/A

NOTES TO FINANCIAL STATEMENTS

LASERS

Valuation Date	June 30, 2021																		
Actuarial Cost Method	Entry Age Normal																		
Actuarial Assumptions:																			
Expected Remaining Service Lives	2 years																		
Investment Rate of Return	7.40% net of investment expenses																		
Inflation Rate	2.30% per annum.																		
Salary Increases	Salary increases were projected based on a five-year (2014-2018) experience study of the System's members. The salary increase ranges for specific types of members were:																		
	<table><tr><td>Member Type</td><td>Lower Range</td><td>Upper Range</td></tr><tr><td>Regular</td><td>3.0%</td><td>12.8%</td></tr><tr><td>Judges</td><td>2.6%</td><td>5.1%</td></tr><tr><td>Corrections</td><td>3.6%</td><td>13.8%</td></tr><tr><td>Hazardous Duty</td><td>3.6%</td><td>13.8%</td></tr><tr><td>Wildlife</td><td>3.6%</td><td>13.8%</td></tr></table>	Member Type	Lower Range	Upper Range	Regular	3.0%	12.8%	Judges	2.6%	5.1%	Corrections	3.6%	13.8%	Hazardous Duty	3.6%	13.8%	Wildlife	3.6%	13.8%
Member Type	Lower Range	Upper Range																	
Regular	3.0%	12.8%																	
Judges	2.6%	5.1%																	
Corrections	3.6%	13.8%																	
Hazardous Duty	3.6%	13.8%																	
Wildlife	3.6%	13.8%																	
Cost of Living Adjustments	None																		
Mortality	<p>Non-disabled members - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018.</p> <p>Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement.</p>																		
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.																		

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:

TRSL	LSERS	LASERS
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	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	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

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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.

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.

return (expected returns, net of pension plan investment expense 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 following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2021:

Asset Class	Target Allocation		Long-Term Expected Portfolio Real Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Cash	-	-	-	-
Domestic equity	27.0%	39.0%	4.21%	2.84%
International equity	19.0%	-	5.23%	-
Domestic fixed income	13.0%	26.0%	0.44%	0.76%
International fixed income	5.5%	-	0.56%	-
Alternative investments	35.5%	23.0%	12.75%	1.87%
Global asset allocation	-	-	-	-
Real assets	-	12.0%	-	0.60%
Total	100.0%	100.0%	n/a	6.07%

n/a – amount not provided by Retirement System

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1%	-2.29%
Domestic equity	31%	4.09%
International equity	23%	5.12%
Domestic fixed income	3%	.49%
International fixed income	18%	3.94%
Alternative investments	24%	6.93%
Risk parity	-%	-%
Totals	100%	5.81%

Discount Rate

The discount rates used to measure the total pension liability for TRSL, LSERS, and LASERS were 7.40%, 6.90% and 7.40% respectively, for the year ended June 30, 2021. The discount rates decreased 0.05%, 0.10% and 0.15% for TRSL, LSERS and LASERS respectively, from the discount rates used for the year ended June 30, 2020.

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-

NOTES TO FINANCIAL STATEMENTS

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:

	1.0% Decrease	Current Discount Rate	1.0% Increase
TRSL			
Discount rate	6.40%	7.40%	8.40%
Share of NPL	\$ 19,726,449	\$ 11,920,035	\$ 5,354,020
LSERS			
Discount rate	5.90%	6.90%	7.90%
Share of NPL	\$ 1,968,463	\$ 1,278,179	\$ 688,136
LASERS			
Discount rate	6.40%	7.40%	8.40%
Share of NPL	\$ 184,349	\$ 136,058	\$ 94,969

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2022, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$388,447 for its participation in TRSL. LSERS and LASERS do not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS and LASERS for the year ended June 30, 2022.

Pension Plans Fiduciary Net Position

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

Payables to the Pension Plan

As of June 30, 2022, the School Board had payables due to the pension plans totaling \$3,731,206. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions.

Note 10. Post-Retirement Health Care and Life Insurance Benefits

Plan description:

The School Board provides certain continuing health care and life insurance benefits for its retired employees. 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. The plan is a single-employer defined benefit health care plan administered by the School Board. The plan does not issue a publicly available financial report. The

NOTES TO FINANCIAL STATEMENTS

membership as of July 1, 2021 (valuation date) includes 684 active participants, 601 retirees and 270 spouses of current retirees.

Funding policy:

The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 35%) and the School Board (approximately 65%). The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Annual OPEB cost:

The Governmental Accounting Standards Board (GASB) released new accounting standards for public postemployment benefits plans other than pension (OPEB) and participating employers in 2015. These standards, GASB Statements No. 74 and 75 have substantially revised the accounting requirements previously mandated under GASB Statements No. 43 and 45. The most notable change is that the annual required contributions (ARC) has been eliminated and the net OPEB liability will be an item on the employer's financial statement rather than a footnote entry. Changes in the net OPEB liability is recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

The following table shows the changes in the net OPEB liability:

Service Cost	\$ 10,365,702
Interest on net OPEB obligations	<u>7,867,993</u>
OPEB expense	\$ 18,233,695
<u>Deferred inflows/outflows:</u>	
Effect of economic/demographic gains or (losses)	\$ (5,783,145)
Changes in assumptions	(128,462,524)
Benefit payments	<u>(4,053,356)</u>
Increase in OPEB Liability	\$ (120,065,330)
Net OPEB obligation - beginning of year	<u>355,909,086</u>
Net OPEB obligation - end of year	<u><u>\$ 235,843,756</u></u>

At June 30, 2022, the School Board recognized OPEB expense of \$14,026,287. At June 30, 2022, the School Board reported deferred inflows of resources and deferred outflows of resources related to the post-retirement health care and life insurance benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ (11,648,526)	\$ 3,087,119
Changes in assumptions	<u>(102,457,964)</u>	<u>32,853,481</u>
	<u><u>\$ (114,106,490)</u></u>	<u><u>\$ 35,940,600</u></u>

NOTES TO FINANCIAL STATEMENTS

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

Year Ended:	
2023	\$ (10,137,984)
2024	\$ (13,587,391)
2025	\$ (28,895,793)
2026	\$(25,544,721)

Actuarial methods and assumptions:

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the School Board's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical costs inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The costs of the Plan are derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the long-term assumptions, the costs determined by the valuation must be regarded as estimates of the trust costs of the plan.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. Under this method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The normal cost for each participant is computed as the level percentage of pay which, if paid from each participant's date of employment by the employer or any predecessor employer (thus, entry age) to his/her assumed retirement date, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to fund his/her projected retirement benefit. The normal costs for the plan is the total of the individually computed normal costs for all participants including the costs for any death or disability benefits under the plan.

The accrued liability at any point in time for an active participant is the theoretical fund that would have been accumulated on his behalf from his normal costs payments and the earnings thereon for all prior years if the plan had always been in effect. For persons receiving benefits or entitled to a deferred vested retirement income, the accrued liability cost is equal to the present value of their future benefit payments. The accrued liability for the plan is the total of the individually computed accrued liability for all participants. The unfunded accrued liability for the plan is the excess of the accrued liability over the assets which have been accumulated for the plan.

Economic and Demographic Assumptions are as follows:

Measurement Date: Benefit liabilities are valued as of July 1, 2019 and measured as of June 30, 2021.

Discount rate for valuing liabilities without prefunding: 2.16% per annum, compounded annually

NOTES TO FINANCIAL STATEMENTS

Compensation increases: 3.0% (including inflation)

Mortality rate:

Pre-retirement: PUB-2010 General Employees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis with healthy annuitant rates after benefit commencement.

Post-retirement: PUB-2010 General Retirees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Disability retirement: PUB-2010 General Disabled Retirees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Survivor: PUB-2010 Contingent Survivors Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Retirement rates: Rates range from 2.3% - 100% depending on age.

Withdrawal rates: Rates range from 3.7% - 21.6% depending on age of years of service.

Disability rates: Rates range from .01% - .80% depending on age.

Participation assumption: 60% of members are assumed to elect health coverage at retirement. For those that elect coverage it is assumed that they will stay in the same health plan as they were enrolled in as an active participant (if allowed). 30% of members are assumed to elect life insurance at retirement, if eligible.

Marriage assumption: For actives it is assumed that husbands are three years older than their wives and 40% of participants electing spouse coverage at retirement.

Inflation rate: 2.2% per annum, compounded annually.

Health Care Assumptions:

Valuation date is July 1, 2019. Trend was calculated assuming an implied inflation rate of 2.2% per year, and actual premiums. The short-term trend rate for pre-Medicare retirees starts off at 6.5% and for post-Medicare for 6.2% retirees and no longer reflects the ACA Excise Tax effective 2022. No stop-loss recoveries were assumed for retirees. For eligible post-65 retirees, Medicare was assumed to coordinate with the health plan in the "Coordination of Benefits" manner, as described by Health Cost Guidelines.

Discount rate:

The discount rate used to measure the Net OPEB obligations was 2.16%. The discount rate was based on the Bond Buyer's General Obligation 20-Bond Municipal index. The discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of (1) the actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefits payments, calculated using the Long-Term Expected Rate of Return and (2) the actuarial present value of projected benefit payments not included in (1) using the Municipal Bond Rate.

Sensitivity of the School Board's net OPEB obligation to changes in the discount rate:

The following presents the School Board's total OPEB obligation calculated using the discount rate of 2.16%, as well as what the total OPEB obligation 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:

NOTES TO FINANCIAL STATEMENTS

	<u>1.0% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1.0% Increase (4.54%)</u>
Employer's proportionate share of the net pension liability	<u>\$ 424,913,802</u>	<u>\$ 235,843,756</u>	<u>\$ 297,847,237</u>

Sensitivity of the School Board's net OPEB obligation to changes in the healthcare cost trend rate:

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

	<u>1.0% Decrease</u>	<u>Current Discount</u>	<u>1.0% Increase</u>
Net OPEB obligation	<u>\$ 292,231,891</u>	<u>\$ 235,843,756</u>	<u>\$ 433,737,508</u>

Note 11. Commitments and Contingencies

The School Board receives federal and state grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

Note 12. Interfund Transactions

Interfund receivables and payables, by fund, at June 30, 2022 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
General Fund	<u>\$ 809,453</u>	<u>\$ -</u>
Agency Funds:		
Sales Tax Fund	<u>-</u>	<u>809,453</u>
Total	<u>\$ 809,453</u>	<u>\$ 809,453</u>

The amounts due to the General Fund from the Sales Tax Agency Fund are for sales tax collected at year end not remitted to the General Fund.

Transfers consisted of the following at June 30, 2022:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	<u>\$ -</u>	<u>\$ 143,123</u>
Nonmajor Funds:		
School Lunch Fund	<u>\$ 142,932</u>	<u>\$ -</u>
Special Federal Funds	<u>191</u>	<u>-</u>
Total	<u>\$ 143,123</u>	<u>\$ 143,123</u>

NOTES TO FINANCIAL STATEMENTS

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 13. Risk Management

Commercial insurance coverage:

The School Board purchases commercial insurance for property coverage, general liability, and automobile liability. The deductibles per occurrence are \$25,000 for most perils and \$50,000 for wind and hail damage, \$25,000 for general liability, and \$25,000 for automobile liability. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Workers' compensation:

The School Board has established a Worker's Compensation Self-Insurance Program for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. Under the program, the School Board has obtained reinsurance coverage for the excess workers' compensation and employer's liability. The retention of the policy for the fiscal year ended June 30, 2022 is \$500,000 per occurrence.

At June 30, 2022, the amount of the worker's compensation benefits liability was \$936,079. This liability is the School Board's best estimate based on available information. Changes in the unpaid claims liability during the last three years ended June 30, are as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Unpaid Claims, Beginning	\$ 1,036,453	\$ 1,627,178	\$ 1,634,997
Current Year Claims and Changes in Estimates	646,236	164,037	1,176,881
Claims Paid	<u>(746,610)</u>	<u>(754,762)</u>	<u>(1,184,700)</u>
Unpaid Claims, Ending	<u>\$ 936,079</u>	<u>\$ 1,036,453</u>	<u>\$ 1,627,178</u>

Note 14. U.S.D.A. Commodities

The School Board receives U.S.D.A. commodities from the U.S. Department of Agriculture. During the year, the School Board received \$967,357 in commodities, consumed \$938,406 and had an ending inventory balance of \$248,738 of commodities in inventory at June 30, 2022. The commodities are reflected in inventory in the School Lunch Fund.

NOTES TO FINANCIAL STATEMENTS

Note 15. Compensation of Board Members

A detail of the compensation paid to individual board members for the year ended June 30, 2022 follows:

DeLo Hebert	\$ 7,200
James Higginbotham	6,000
Douglas Lacombe	6,000
Milton Simar	6,000
James Proctor	6,000
Ike Richard	6,000
Steve Jones	6,000
Rebecca Atkinson	6,000
Total	<u>\$ 49,200</u>

Note 16. Education Excellence Fund

On August 27, 2003, the Joint Education Committee approved the School Board's plans regarding their share of the Millennium Trust Fund, referred to as the Education Excellence Trust Fund. For each fiscal year beginning with the 2006-2007 fiscal year, appropriations shall be made to the State Superintendent of Education and distributed to city, parish, and other local school systems in accordance with the formulas stipulated in the Millennium Trust. Such monies appropriated shall be restricted to expenditures for pre-kindergarten through 12th grade instructional enhancement for students, including early childhood educational programs focused on enhancing the preparation of at-risk children for school, remedial instruction, and assistance to children who fail to achieve the required scores on any test passage of which are required pursuant to state law or rule for advancement to a succeeding grade or other educational programs approved by the legislature. For the year ended June 30, 2022, \$692,191 is included in deferred revenue for future expenditure in accordance with the Millennium Trust document.

Note 17. Headstart Funding

At June 30, 2022, the School Board had no Headstart Funds available under the current project period which were unexpended.

Note 18. School Board Collections of Sales Taxes on Behalf of Other Taxing Authorities

The School Board collects sales taxes on behalf of other taxing authorities in Acadia Parish. The following schedule discloses those collections on behalf of other taxing authorities and is presented in accordance with Louisiana Revised Statute (R.S.) 24:513B.(3) enacted by ACT 711 of the 2010 Legislative Session.

NOTES TO FINANCIAL STATEMENTS

	Annual Totals – Years Ending June 30, 2022 Tax Periods		
	<u>Total Collections</u>	<u>Collection Costs</u>	<u>Final Distribution</u>
Acadia Parish Police Jury (1.0%)	\$ 10,427,756	\$ 218,137	\$ 10,209,619
Acadia Parish Police Jury (1.0%)	3,752,172	93,604	3,658,568
Acadia Parish Police Jury (0.25%)	1,342,942	32,087	1,310,855
	<u>\$ 15,522,870</u>	<u>\$ 343,828</u>	<u>\$ 15,179,042</u>
City of Crowley (2.5%)	<u>\$ 9,128,760</u>	<u>\$ 173,689</u>	<u>\$ 8,955,071</u>
Town of Church Point (1.0%)	<u>\$ 817,271</u>	<u>\$ 13,205</u>	<u>\$ 804,066</u>
Town of Iota (2.0%)	<u>\$ 315,295</u>	<u>\$ 5,633</u>	<u>\$ 309,662</u>
Village of Estherwood (1.0%)	<u>\$ 75,534</u>	<u>\$ 1,383</u>	<u>\$ 74,151</u>
Village of Mementau (1.0%)	<u>\$ 87,418</u>	<u>\$ 1,466</u>	<u>\$ 85,952</u>
City of Rayne (2.0%)	<u>\$ 2,807,203</u>	<u>\$ 48,270</u>	<u>\$ 2,758,933</u>
Village of Morse (1.0%)	<u>\$ 64,172</u>	<u>\$ 1,198</u>	<u>\$ 62,974</u>
Church Point Law Enforcement (1.0%)	<u>\$ 817,248</u>	<u>\$ 13,204</u>	<u>\$ 804,044</u>
Acadia Parish Sheriff (0.5%)	<u>\$ 5,213,877</u>	<u>\$ 109,074</u>	<u>\$ 5,104,803</u>
Totals	<u>\$ 34,849,648</u>	<u>\$ 710,950</u>	<u>\$ 34,138,698</u>

Note 19. Commitments

The School Board has open construction contracts at June 30, 2022 for the following projects:

	<u>Contract</u>	<u>Expended</u>	<u>Commitment</u>
Egan Elementary Classrooms	\$ 882,000	\$ 791,879	\$ 90,121
APSB - Child Nutrition Cold Storage	3,216,121	1,232,340	1,983,781
	<u>\$ 4,098,121</u>	<u>\$ 2,024,219</u>	<u>\$ 2,073,902</u>

NOTES TO FINANCIAL STATEMENTS

Note 20. Prior Period Adjustment

Upon review of the prior calculation of the pension, it appears that the following items make up the prior period adjustment:

TRSL – For TRSL, the Employer Pension Report does not include the change in proportion (proportionate share) in its numbers, so this adjustment must be added in the calculation (TRSL and LASERS are the only State plans that omit that). The prior auditor calculated the change in proportionate share using amounts that were incorrect. This resulted in a \$2,356,964 difference in the deferred outflows and a \$20,426 difference in deferred inflows.

LSERS – For LSERS, the changes in proportion (same as proportionate share) is already included in the Employer Pension Report and reflected in the deferred inflows column for 2020. However, the prior auditor included a calculation for this which appears to be duplicating these changes.

All corrections resulted in a prior period adjustment of \$1,629,706.

Note 21. Coronavirus Pandemic:

The World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical areas in which the School Board operates. It is unknown how long these conditions will last and what the complete financial effect will be on the School Board. Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

REQUIRED SUPPLEMENTARY INFORMATION

ACADIA PARISH SCHOOL BOARD
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Local sources-				
Ad valorem taxes	\$ 12,498,923	\$12,618,021	\$ 12,613,894	\$ (4,127)
Sales taxes	14,973,000	15,891,957	15,892,362	405
Sales tax fees	500,000	522,711	522,711	-
Other	2,729,000	3,379,503	3,377,774	(1,729)
Total local sources	\$ 30,700,923	\$32,412,192	\$ 32,406,741	\$ (5,451)
Federal sources	-	78,360	78,360	-
State sources	57,124,011	57,238,100	57,237,848	(252)
Total revenues	\$ 87,824,934	\$89,728,652	\$ 89,722,949	\$ (5,703)
Expenditures:				
Current -				
Instruction:				
Regular programs	\$ 42,677,254	\$43,210,688	\$ 43,340,748	\$ (130,060)
Special education programs	6,179,945	6,018,590	6,038,562	(19,972)
Vocational education programs	1,671,109	1,768,202	1,773,485	(5,283)
Other instructional programs	320,530	436,584	436,521	63
Special programs	112,250	114,667	115,208	(541)
Adult and continuing education programs	31,972	44,820	44,820	-
Support services:				
Pupil support services	4,017,342	3,667,457	3,685,882	(18,425)
Instructional staff support services	2,513,580	2,820,247	2,842,475	(22,228)
General administration	1,489,548	1,539,245	1,554,634	(15,389)
School administration	5,590,068	5,685,775	5,708,211	(22,436)
Business services	872,903	688,000	689,747	(1,747)
Operation and maintenance of plant services	9,647,481	12,228,694	12,713,765	(485,071)
Student transportation services	6,102,045	6,184,154	6,212,595	(28,441)
Central services	805,827	943,511	948,269	(4,758)
Non-instructional services:				
Food services	445,200	387,532	416,236	(28,704)
Community service programs	11,800	10,400	10,400	-
Facilities acquisition and construction	3,001,900	4,072,899	4,222,874	(149,975)
Debt service -				
Principal retirement	945,399	949,817	957,746	(7,929)
Interest and fiscal charges	74,330	67,647	59,717	7,930
Total expenditures	\$ 86,510,483	\$90,838,929	\$ 91,771,895	\$ (932,966)

(continued)

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Excess (deficiency) of revenues over expenditures	<u>\$ 1,314,451</u>	<u>\$ (1,110,277)</u>	<u>\$ (2,048,946)</u>	<u>\$ (938,669)</u>
Other financing sources (uses):				
Proceeds from insurance and sales of assets	\$ 500	\$ 422,193	\$ 422,193	\$ -
Transfers in	6,795,010	7,447,380	7,447,390	10
Transfers out	<u>(8,109,010)</u>	<u>(7,590,311)</u>	<u>(7,590,512)</u>	<u>(201)</u>
Total other financing sources (uses)	<u>\$ (1,313,500)</u>	<u>\$ 279,262</u>	<u>\$ 279,071</u>	<u>\$ (191)</u>
Net change in fund balance	\$ 951	\$ (831,015)	\$ (1,769,875)	\$ (938,860)
Fund balances, beginning	<u>31,335,603</u>	<u>31,335,603</u>	<u>31,335,603</u>	<u>-</u>
Fund balances, ending	<u><u>\$ 31,336,554</u></u>	<u><u>\$30,504,588</u></u>	<u><u>\$ 29,565,728</u></u>	<u><u>\$ (938,860)</u></u>

See Notes to Budgetary Comparison Schedules.

ACADIA PARISH SCHOOL BOARD
SPECIAL REVENUE FUND
NO CHILD LEFT BEHIND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Federal sources	\$ 18,784,594	\$20,836,682	\$ 20,833,111	\$ (3,571)
Total revenues	<u>\$ 18,784,594</u>	<u>\$20,836,682</u>	<u>\$ 20,833,111</u>	<u>\$ (3,571)</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	\$ -	\$ 329,275	\$ 329,260	\$ 15
Other instructional programs	411,294	756,676	756,213	463
Special programs	6,981,428	7,714,811	7,713,590	1,221
Support services:				
Pupil support services	976,277	980,252	980,003	249
Instructional staff support services	4,581,731	5,851,098	5,847,357	3,741
General administration	10,000	49,415	49,415	-
Business services	82,071	92,560	92,489	71
Operation and maintenance of plant services	343,582	1,067,635	1,067,206	429
Central services	108,835	143,727	143,709	18
Non-instructional services:				
Facilities acquisition and construction	3,500,000	2,090,585	2,093,573	(2,988)
Indirect costs	1,789,376	1,760,648	1,760,296	352
Total expenditures	<u>\$ 18,784,594</u>	<u>\$20,836,682</u>	<u>\$ 20,833,111</u>	<u>\$ 3,571</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Notes to Budgetary Comparison Schedules.

ACADIA PARISH SCHOOL BOARD

NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2022

Note 1. Budgets and Budgetary Accounting

The proposed budget for 2022 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2022 budget on August 1, 2022. In accordance with R.S. 17.88 (A), parish school boards must adopt the budget no later than September fifteenth of each year. The budget, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds, was published in the official journal ten days prior to the public hearing. The budgets for the fiscal year 2022 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the required supplementary information include the original adopted budget and final budgeted amounts.

Note 2. Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations. The following individual funds had actual expenditures in excess of budgeted expenditures for the year ended June 30, 2022.

	Original Budget	Final Budget	Actual	Excess
General Fund	<u>\$ 86,510,483</u>	<u>\$ 90,838,929</u>	<u>\$ 91,771,895</u>	<u>\$ (932,966)</u>

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN TOTAL
OPEB LIABILITY AND RELATED RATIOS

For the Years Ended June 30, 2022, 2021, 2020, 2019, and 2018

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 10,365,702	\$ 9,537,882	\$ 8,245,432	\$ 6,863,332	\$ 7,385,258
Interest on total OPEB liability	7,867,993	7,972,299	9,417,682	9,335,487	8,362,682
Effect of economic/demographic gains or (losses)	(5,783,145)	(11,726,765)	7,836,533	-	33,744,905
Effect on assumption changes or inputs	(128,462,524)	3,123,967	71,928,331	15,862,199	(2,349,339)
Benefit payments	(4,053,356)	(8,350,262)	(5,764,865)	(5,420,319)	(5,162,871)
Net Change in Total OPEB Liability	\$ (120,065,330)	\$ 557,121	\$ 91,663,113	\$ 26,640,699	\$ 41,980,635
Total OPEB Liability Beginning	355,909,086	355,351,965	263,688,852	237,048,153	195,067,518
Total OPEB Liability Ending	<u>\$ 235,843,756</u>	<u>\$ 355,909,086</u>	<u>\$ 355,351,965</u>	<u>\$ 263,688,852</u>	<u>\$ 237,048,153</u>
Covered Payroll	\$ 53,181,542	\$ 53,181,542	\$ 50,453,446	\$ 50,050,036	\$ 48,653,113
Total OPEB Liability as a % of Covered Payroll	443.47%	669.23%	704.32%	526.85%	487.22%

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

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF THE PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY

For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015

	2022	2021	2020
<u>Teachers' Retirement System of Louisiana (TRSL)</u>			
School Board's proportion of the net pension liability	0.90%	0.89%	0.86%
School Board's proportionate share of the net pension liability	\$ 48,059,781	\$ 99,434,596	\$ 85,762,770
School Board's covered employee payroll	\$ 45,995,827	\$ 45,015,721	\$ 45,015,721
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	104.49%	220.89%	190.52%
Plan fiduciary net position as a percentage on the total pension liability	83.90%	65.60%	68.60%
<u>Louisiana School Employees' Retirement System (LSERS)</u>			
School Board's proportion of the net pension liability	0.82%	0.85%	0.92%
School Board's proportionate share of the net pension liability	\$ 3,915,832	\$ 6,840,200	\$ 6,419,846
School Board's covered employee payroll	\$ 2,527,786	\$ 2,527,786	\$ 2,546,524
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	154.91%	270.60%	252.10%
Plan fiduciary net position as a percentage on the total pension liability	82.50%	82.51%	69.67%
<u>Louisiana State Employees' Retirement System (LASERS)</u>			
School Board's proportion of the net pension liability	0.00226%	0.00226%	0.00212%
School Board's proportionate share of the net pension liability	\$ 187,248	\$ 187,248	\$ 153,810
School Board's covered employee payroll	\$ 52,239	\$ 52,239	\$ 47,480
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	358.44%	358.44%	323.95%
Plan fiduciary net position as a percentage on the total pension liability	58.00%	58.00%	62.90%

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

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF THE PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY

For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015

2019	2018	2017	2016	2015
0.91%	0.93%	0.96%	0.98%	0.99%
\$ 59,535,817	\$ 95,281,459	\$ 112,701,130	\$ 105,043,298	\$ 101,153,766
\$ 44,556,255	\$ 45,185,161	\$ 45,788,942	\$ 46,826,779	\$ 46,915,321
133.62%	210.87%	246.13%	224.32%	215.61%
68.20%	65.60%	59.90%	62.47%	63.65%
0.99%	1.04%	1.03%	1.00%	1.05%
\$ 6,626,406	\$ 6,652,892	\$ 7,750,941	\$ 6,347,890	\$ 6,089,249
\$ 2,677,074	\$ 2,860,202	\$ 2,988,664	\$ 2,928,644	\$ 2,811,093
247.52%	232.60%	259.34%	216.75%	216.61%
73.49%	74.44%	75.03%	74.49%	76.18%
0.00212%	0.00187%	0.00210%	0.00207%	0.00211%
\$ 144,719	\$ 131,697	\$ 164,511	\$ 140,791	\$ 131,936
\$ 44,314	\$ 37,644	\$ 28,345	\$ 37,699	\$ 37,420
326.58%	349.85%	580.39%	373.46%	352.58%
64.30%	62.50%	57.73%	62.66%	65.02%

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF PENSION CONTRIBUTIONS

For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015

	2022	2021	2020
<u>Teachers' Retirement System of Louisiana (TRSL)</u>			
Contractually required contributions	\$ 12,797,435	\$ 12,350,250	\$ 11,705,188
Contributions in relation to the contractually required contribution	<u>12,797,435</u>	<u>12,350,250</u>	<u>11,705,188</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 50,783,474	\$ 45,995,827	\$ 45,015,721
Contributions as a percentage of covered- employee payroll	25.20%	26.85%	26.00%
<u>Louisiana School Employees' Retirement System (LSERS)</u>			
Contractually required contributions	\$ 791,417	\$ 725,474	\$ 748,679
Contributions in relation to the contractually required contribution	<u>791,417</u>	<u>725,474</u>	<u>748,679</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 2,757,549	\$ 2,527,786	\$ 2,546,524
Contributions as a percentage of covered- employee payroll	28.70%	28.70%	29.40%
<u>Louisiana State Employees' Retirement System (LASERS)</u>			
Contractually required contributions	\$ 16,563	\$ 20,950	\$ 19,326
Contributions in relation to the contractually required contribution	<u>16,563</u>	<u>20,950</u>	<u>19,326</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 41,933	\$ 52,239	\$ 47,480
Contributions as a percentage of covered- employee payroll	39.50%	40.10%	40.70%

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

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF PENSION CONTRIBUTIONS

For the Years Ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 11,893,768	\$ 12,020,158	\$ 11,677,090	\$ 12,316,344	\$ 13,136,714
<u>11,893,768</u>	<u>12,020,158</u>	<u>11,677,090</u>	<u>12,316,344</u>	<u>13,136,714</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 44,556,255	\$ 45,185,161	\$ 45,788,942	\$ 46,826,779	\$ 46,915,321
26.69%	26.60%	25.50%	26.30%	28.00%
\$ 749,580	\$ 789,416	\$ 815,905	\$ 884,451	\$ 927,661
<u>749,580</u>	<u>789,416</u>	<u>815,905</u>	<u>884,451</u>	<u>927,661</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,677,074	\$ 2,860,202	\$ 2,988,664	\$ 2,928,644	\$ 2,811,093
28.00%	27.60%	27.30%	30.20%	33.00%
\$ 16,797	\$ 14,267	\$ 10,147	\$ 14,493	\$ 13,845
<u>16,797</u>	<u>14,267</u>	<u>10,147</u>	<u>14,493</u>	<u>13,845</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 44,314	\$ 37,644	\$ 28,345	\$ 37,699	\$ 37,420
37.90%	37.90%	35.80%	38.44%	37.00%

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for special revenues that are legally restricted to expenditures for specific purposes.

SPECIAL FEDERAL FUNDS FUND

This fund accounts for federal grants such as Career and Technical Education Grant and Child Care and Development Block Grant. The Carl Perkins Program under the Career and Technical Education Grant is dedicated to increasing learner access to high-quality Career Technical Education (CTE) programs of study. The Louisiana Early Childhood Care and Education Network Program under the Child Care and Development Block Grant designates, through a competitive process, a Lead Agency for each community to conduct administrative functions and coordinate essential activities.

SPECIAL EDUCATION FUND

Individuals with Disabilities Education Act (IDEA) Program

The IDEA Program is a federally funded program which provides for special education services to accommodate children with disabilities.

The Preschool Program is a program by which funds are used to provide special education handicapped services for preschool aged children. The fund also provides for pre-kindergarten and kindergarten classes designed to prepare at-risk-four-year old children for kindergarten.

STATE PROGRAMS FUND

Medicaid Special Education

Funds are generated by providing services to Medicaid-eligible students. This money is used to provide health-related services and for special needs students sent to other parishes.

In addition to Medicaid Special Education this category also accounts for state funded programs which provide for summer remediation, instructional enhancements for students, state mandated Pre-GED/Options 3 Program, and other programs which are not accounted for in other special revenue funds

SCHOOL LUNCH FUND

The School Food Service makes nutritious breakfasts and lunches available to all students at 12 central kitchens and 13 satellite locations. Funding is provided through collections at the schools from students and teachers, federal reimbursement of certain costs, USDA commodities, and transfers from the General Fund.

HEADSTART FUND

Headstart provides an early childhood environment for approximately 400 three and four-year-old at-risk children in the communities of Church Point, Rayne, Crowley, and Estherwood. This federal program, which receives funding through the regional Headstart office in Dallas, offers an additional source of preschool experience for children in the parish. This fund also accounts for funds for training/technical assistance for staff development and Headstart training conferences for employees, parents, and policy council members.

SCHOOL ACTIVITY FUNDS

The School Activity Fund accounts for monies generated and disbursed by the individual schools and school organizations within Acadia Parish. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies.

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ACADIA PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2022

ASSETS	Special Federal Funds	Special Education	State Programs
Cash and equity in pooled cash	\$ -	\$ -	\$ 364,249
Receivables	-	521,766	152,014
Inventories	-	-	-
Prepaid expenses	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ -</u>	<u>\$ 521,766</u>	<u>\$ 516,263</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Pooled cash deficit	\$ -	\$ 430,899	\$ -
Accounts payable	-	3,807	3,089
Accrued salaries and related benefits	-	87,060	85,060
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ -</u>	<u>\$ 521,766</u>	<u>\$ 88,149</u>
Fund balances:			
Nonspendable -			
Inventory	\$ -	\$ -	\$ -
Prepays	-	-	-
Restricted for special purposes	-	-	428,114
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 428,114</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u><u>\$ -</u></u>	<u><u>\$ 521,766</u></u>	<u><u>\$ 516,263</u></u>

School Lunch Funds	Headstart	School Activity Funds	Total
\$ 4,904,866	\$ -	\$ 2,488,017	\$ 7,757,132
30,369	444,663	-	1,148,812
728,932	-	-	728,932
-	-	-	-
<u>\$ 5,664,167</u>	<u>\$ 444,663</u>	<u>\$ 2,488,017</u>	<u>\$ 9,634,876</u>

\$ -	\$ 187,658	\$ -	\$ 618,557
37,256	95,198	-	139,350
192,291	161,807	-	526,218
<u>\$ 229,547</u>	<u>\$ 444,663</u>	<u>\$ -</u>	<u>\$ 1,284,125</u>

\$ 728,932	\$ -	\$ -	\$ 728,932
-	-	-	-
4,705,688	-	2,488,017	7,621,819
<u>\$ 5,434,620</u>	<u>\$ -</u>	<u>\$ 2,488,017</u>	<u>\$ 8,350,751</u>
<u>\$ 5,664,167</u>	<u>\$ 444,663</u>	<u>\$ 2,488,017</u>	<u>\$ 9,634,876</u>

ACADIA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 For the Year Ended June 30, 2022

	Special Federal Funds	Special Education	State Programs
Revenues:			
State sources	\$ -	\$ -	\$ 1,198,754
Federal sources	179,000	2,532,467	-
Other sources	-	-	-
Total revenues	<u>\$ 179,000</u>	<u>\$ 2,532,467</u>	<u>\$ 1,198,754</u>
Expenditures:			
Current -			
Instruction:			
Regular programs	\$ 1,651	\$ -	\$ 67,010
Special education programs	-	676,274	89,499
Vocational education programs	144,400	-	-
Other instructional programs	-	-	-
Special programs	-	222,456	939,703
Support services:			
Pupil support services	-	828,155	301,104
Instructional staff support services	32,241	510,966	10,742
General administration	142	97,857	55,437
School administration	-	-	-
Business services	-	-	-
Operation and maintenance of plant services	-	36,632	-
Student transportation services	757	306	-
Central services	-	-	-
Non-instructional services:			
Food service operation	-	-	-
Community service programs	-	-	-
Indirect cost	-	159,821	-
In-kind	-	-	-
Total expenditures	<u>\$ 179,191</u>	<u>\$ 2,532,467</u>	<u>\$ 1,463,495</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (191)</u>	<u>\$ -</u>	<u>\$ (264,741)</u>
Other financing sources (uses):			
Proceeds from sale of assets	\$ -	\$ -	\$ -
Transfers in	191	-	-
Total other financing sources	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (264,741)</u>
Fund balance, as previously stated	\$ -	\$ -	\$ 692,855
Adoption of GASB 84	-	-	-
Fund balance, as restated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 692,855</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 428,114</u></u>

School Lunch Funds	Headstart	School Activity Funds	Total
\$ 72,465	\$ -	\$ -	\$ 1,271,219
8,471,038	3,145,928	-	14,328,433
59,856	752,564	3,223,116	4,035,536
<u>\$ 8,603,359</u>	<u>\$ 3,898,492</u>	<u>\$ 3,223,116</u>	<u>\$ 19,635,188</u>

\$ -	\$ -	\$ -	\$ 68,661
-	16,535	-	782,308
-	-	-	144,400
-	-	2,895,010	2,895,010
-	1,463,104	-	2,625,263
-	-	-	-
-	143,730	-	1,272,989
-	29,721	-	583,670
-	162,373	-	315,809
-	201,764	-	201,764
-	44,480	-	44,480
3,621	385,661	-	425,914
-	108,999	-	110,062
-	2,293	-	2,293
6,805,738	123,350	-	6,929,088
-	267,291	-	267,291
-	196,627	-	356,448
-	752,564	-	752,564
<u>\$ 6,809,359</u>	<u>\$ 3,898,492</u>	<u>\$ 2,895,010</u>	<u>\$ 17,778,014</u>

<u>\$ 1,794,000</u>	<u>\$ -</u>	<u>\$ 328,106</u>	<u>\$ 1,857,174</u>
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\$ 259	\$ -	\$ -	\$ 259
142,932	-	-	143,123

<u>\$ 143,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,382</u>
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<u>\$ 1,937,191</u>	<u>\$ -</u>	<u>\$ 328,106</u>	<u>\$ 2,000,556</u>
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\$ 3,497,429	\$ -	\$ 2,159,911	\$ 6,350,195
-	-	-	-
<u>\$ 3,497,429</u>	<u>\$ -</u>	<u>\$ 2,159,911</u>	<u>\$ 6,350,195</u>

<u>\$ 5,434,620</u>	<u>\$ -</u>	<u>\$ 2,488,017</u>	<u>\$ 8,350,751</u>
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ACADIA PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - SCHOOL ACTIVITY FUND
 SCHEDULE OF CHANGES IN DEPOSITS HELD FOR EACH SCHOOL
 For the Year Ended June 30, 2022

	Beginning Balance	Additions	Deletions	Ending Balance
Armstrong Middle	\$ 45,743	\$ 72,770	\$ 51,821	\$ 66,692
Branch Elementary	36,818	56,726	47,316	46,228
Central Rayne Kindergarten	48,222	25,697	23,854	50,065
Church Point Elementary	95,215	77,804	76,336	96,683
Church Point High	189,473	480,688	462,122	208,039
Church Point Middle	9,768	123,976	109,802	23,942
Crowley High	208,821	235,899	248,037	196,683
Crowley Middle	52,400	64,532	54,326	62,606
Crowley Kindergarten	61,089	27,595	25,106	63,578
Egan Elementary	30,980	67,849	60,754	38,075
Estherwood Elementary	30,617	66,617	65,308	31,926
Evangeline Elementary	67,089	98,398	62,146	103,341
Iota Elementary	37,623	68,325	60,845	45,103
Iota High	189,805	515,934	456,241	249,498
Iota Middle	59,080	91,594	74,750	75,924
Martin Petitjean Elementary	43,315	20,696	23,776	40,235
Mermentau Elementary	65,983	39,597	32,501	73,079
Midland High	245,013	253,408	250,407	248,014
Mire Elementary	108,064	172,877	130,031	150,910
Morse Elementary	49,011	67,739	59,560	57,190
North Crowley Elementary	54,502	47,574	40,406	61,670
Rayne High	284,291	372,290	334,663	321,918
Richard Elementary	33,153	67,898	58,648	42,403
Ross Elementary	48,931	26,982	21,883	54,030
South Crowley Elementary	43,969	44,161	30,473	57,657
South Rayne Elementary	20,936	35,490	33,898	22,528
Total	<u>\$ 2,159,911</u>	<u>\$ 3,223,116</u>	<u>\$ 2,895,010</u>	<u>\$ 2,488,017</u>

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FIDUCIARY FUND

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the School Board's own programs.

Sales Tax Fund - The Sales Tax Fund accounts for the collection and distribution of sales tax that the School Board has the responsibility of collecting. Effective December 1, 1967, the School Board was appointed the central sales tax collecting agency for all taxing bodies within Acadia Parish. The cost of collecting the taxes is divided among all the taxing bodies based upon their respective sales and use tax in relation to the combined total.

ACADIA PARISH SCHOOL BOARD
 SALES TAX CUSTODIAL FUND
 STATEMENT OF ASSETS AND LIABILITIES
 June 30, 2022

	Sales Tax
	<u> </u>
ASSETS	
Cash and equity in pooled cash	<u><u>\$ 2,753,863</u></u>
LIABILITIES	
Accounts payable	\$ 1,941,927
Due to other funds	809,453
Accrued interest payable	2,483
Deposits due to others	<u>-</u>
Total liabilities	<u><u>\$ 2,753,863</u></u>
NET POSITION	<u><u>\$ -</u></u>

ACADIA PARISH SCHOOL BOARD
SALES TAX CUSTODIAL FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2022

Receipts:	
Sales taxes	\$ 52,133,212
Disbursements:	
Tax proceeds distributed to taxing authorities, net of collection costs	<u>52,056,676</u>
Increase (decrease) in cash	\$ 76,536
Cash balance, beginning	<u>2,677,327</u>
Cash balance, ending	<u><u>\$ 2,753,863</u></u>

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD

For the Year Ended June 30, 2022

Agency Head: Scott Richard, Superintendent

Purpose	Amount
Salary	\$ 165,548
Benefits:	
Insurance	11,941
Retirement	44,137
Car allowance	9,600
Total	<u>\$ 231,226</u>

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INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

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

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, 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, the major funds, and the aggregate remaining fund information of the Acadia Parish School Board (the "School Board") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated June 7, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Acadia Parish 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 School Board's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

MEMBER OF
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, 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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing 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 School Board'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 School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however, this report is a matter of public record and its distribution is not limited.



Thibodeaux Accounting Company

A Limited Liability Company

Rayne, Louisiana
June 23, 2023

THIBODEAUX ACCOUNTING COMPANY

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

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Acadia 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, 2022. 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, Acadia Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

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CERTIFIED PUBLIC ACCOUNTANTS

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, 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 provision of contracts or grant agreements applicable to Acadia Parish School Board's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Acadia Parish School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a 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 Acadia Parish School Board's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of 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 Acadia Parish School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Acadia Parish School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on the internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Acadia Parish School Board's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a 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.

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, Louisiana

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.

Purpose of This Report

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. This report is intended for the information and use of management, the Board, others within the entity, and federal awarding agencies and pass-through entities and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose; however, this report is a matter of public record and its distribution is not limited.



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A Limited Liability Company

Rayne, Louisiana
June 23, 2023

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title</u>	<u>Project Number</u>	<u>CFDA/ Assistance Listing Number</u>	<u>Expenditures</u>
United States Department of Education:			
Passed Through State Department of Education -			
Title I Grants to Local Educational Agencies:			
Title I	28-21-T1-01	84.010A	\$ 6,144,457
Redesign 1003a	28-20-RD19-01	84.010A	25,788
Direct Student Services	28-21-DSS-01	84.010A	<u>151,050</u>
TOTAL Title I - Grants to Local Education Agencies			<u>\$ 6,321,295</u>
Title III	28-22-60-01	84.365A	<u>\$ 7,348</u>
Hurricane Education Recovery Assistance for Homeless Children and Youth Program	N/A	84.938	<u>\$ 10,704</u>
Supporting Effective Instruction State Grants - Title IIA	28-21-50-01	84.367A	<u>\$ 337,083</u>
Student Support and Academic Enrichment Program - Title IVA	28-21-71-01	84.424A	<u>\$ 685,165</u>
COVID-19 CARES Act - Education Stabilization Fund *			
COVID-19 - CARES Act - Elementary and Secondary School Emergency Relief (ESSER) Incentive	28-20-ESRF-01	84.425D	249,536
COVID-19 - CARES Act - Elementary and Secondary School Emergency Relief (ESSER) II - Formula	28-1-ES2F-01	84.425D	9,810,211
COVID-19 - CARES Act - Elementary and Secondary School Emergency Relief (ESSER) III - Formula	28-21-ES3F-01	84.425U	1,256,136
COVID-19 - CARES Act - Elementary and Secondary School Emergency Relief (ESSER) III EB - Interventions	28-21-ESEB -01	84.425U	1,961,556
COVID-19 - CARES Act - COVID Workforce - School Nurses Behavioral Health	27-22-SNBH-01	93.354	<u>144,077</u>
Total Education Stabilization Fund			<u>\$ 13,421,516</u>
Special Education Cluster (IDEA):			
IDEA Part B 611	28-21-B1-01	84.027A	\$ 2,482,885
IDEA Preschool 619	28-21-P1-01	84.173A	<u>49,582</u>
Total Special Education Cluster (IDEA)			<u>\$ 2,532,467</u>
Career & Technical Education - Basic Grants to States - Carl Perkins Secondary	28-21-02-01	84.048A	<u>\$ 155,092</u>
Total U.S. Department of Education			<u>\$ 23,470,670</u>

(continued)

See the Accompanying Notes to the Schedule of Expenditures of Federal Awards.

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title</u>	<u>Project Number</u>	<u>CFDA/ Assistance Listing Number</u>	<u>Expenditures</u>
United States Department of Health and Human Services:			
Passed Through State Department of Education -			
Child Care and Develop Fund Cluster			
Child Care and Development Block Grant			
Early Childhood Network Lead Agency Consolidated	28-21-CO-01	93.575	\$ 23,908
COVID-19 - CARES Act - COVID19 Child Care			
Recovery Grant	28-21-CCCR-01	93.575	100,000
Total Child Care and Develop Fund Cluster			<u>\$ 123,908</u>
Head Start Cluster	*		
Headstart	N/A	93.600	\$ 3,031,841
COVID-19 - Headstart	N/A	93.600	84,195
American Rescue Funds	N/A	93.600	29,892
Total Headstart Cluster			<u>\$ 3,145,928</u>
Total U.S. Department of Health and Human Services			<u>\$ 3,269,836</u>
United States Department of Agriculture:			
Passed Through State Department of Education -			
Child Nutrition Cluster			
Summer Food Service Program for Children (SFSP)	N/A	10.559	\$ 7,179,852
Child and Adult Care Food Program	N/A	10.558	323,830
Total Child Nutrition Cluster			<u>\$ 7,503,682</u>
Passed through State Department of Agriculture and Forestry -			
National School Lunch Program (Commodities)	N/A	10.555	<u>\$ 967,357</u>
Total U.S. Department of Agriculture			<u>\$ 8,471,039</u>
Total Expenditures of Federal Awards			<u><u>\$ 35,211,545</u></u>

* Denotes major program

See the Accompanying Notes to the Schedule of Expenditures of Federal Awards.

ACADIA PARISH SCHOOL BOARD

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Acadia Parish School Board under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirement of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Acadia Parish School Board, it is not intended to and does not present the financial position of the School Board.

Note 2. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2022. Such expenditures are recognized following the cost principles in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3. Indirect Cost Rate

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

Note 4. Noncash Programs

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

Note 5. Federal Awards Passed Through to Subrecipients

There were no federal awards passed through to subrecipients for the year ended June 30, 2022.

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

We have audited the financial statements of the Acadia Parish School Board as of and for the year ended June 30, 2022, and have issued our report thereon dated June 23, 2023. We concluded our audit 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 provisions of the Uniform Guidance. Our audit of the financial statements as of June 30, 2022 resulted in an unmodified opinion.

Section I. Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material weaknesses	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Control deficiencies identified that are not considered to be material weaknesses	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Compliance:

Compliance material to financial statements	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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b. Federal Awards

Internal Control:

Material weaknesses	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Control deficiencies identified that are not considered to be material weaknesses	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Type of Opinion on:

Compliance for Major Programs	Unmodified	<input checked="" type="checkbox"/>	Modified	<input type="checkbox"/>	Disclaimer	<input type="checkbox"/>	Adverse	<input type="checkbox"/>
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Are there findings required to be reported in accordance with the provisions of the Uniform Guidance?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
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c. Identification of Major Programs:

CFDA Number
84.425C/D
93.600

Name of Federal Program
CARES Act - Education Stabilization Fund
Headstart

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

Is the auditee a "low risk" auditee, as defined by the Uniform Guidance?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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ACADIA PARISH SCHOOL BOARD
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2022

Section II. Financial Statement Findings

A. Internal Control Findings

None

B. Compliance Findings

2022-1 Failure to File Audited Financial Statements Timely

Fiscal year finding initially occurred: 2022

Criteria

In accordance with Louisiana Revised Statute 24:513, the organization must complete and submit an audit of their financial statements within six months of the close of their fiscal year to the Legislative Auditor's office.

Condition

The Board's annual audited financial statements were not filed timely for the fiscal year ended June 30, 2022.

Cause

The Board hired a CPA to do their financial audit and the CPA did not complete the audit in time.

Effect

The Board did not comply with Louisiana Revised Statute 24:513.

Recommendation

The Board should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Management's Corrective Action Plan

The Board will take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Section III. Federal Award Findings and Questioned Costs

No matters are reported.

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF PRIOR FINDINGS
Year Ended June 30, 2022

Section I. Internal Control and Compliance Material to the Financial Statements

No matters are reported.

Section II. Internal Control and Compliance Material to Federal Awards

No matters are reported.

Section III. Management Letter

There were no matters reported in a separate management letter for the year ended June 30, 2021.

SUPPLEMENTAL SCHEDULES OF PERFORMANCE MEASURES

THIBODEAUX ACCOUNTING COMPANY

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P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Scott Richard, Superintendent
and Members of the Acadia Parish School Board
Crowley, Louisiana

We have performed the procedures enumerated below on performance and statistical data accompanying the annual financial statements of Acadia Parish School Board for the fiscal year ended June 30, 2022; 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 Acadia Parish School Board is responsible for its performance and statistical data.

The Acadia Parish 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 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:

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

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

No exception noted.

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 random sample of 10 classes to the October 1 roll books for those classes and observed that the class was properly classified on the schedule.

No exception noted.

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.

No exception noted.

Public 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).

No exceptions noted.

This agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and 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 the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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



Thibodeaux Accounting Company

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Rayne, Louisiana

June 23, 2023

ACADIA PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND
CERTAIN LOCAL REVENUE SOURCES
For the Year Ended June 30, 2022

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities -

Classroom Teacher Salaries	\$ 31,212,680	
Other Instructional Staff Activities	2,115,846	
Instructional Staff Employee Benefits	13,722,310	
Purchases Professional and Technical Services	443,523	
Instructional Materials and Supplies	1,346,736	
Instructional Equipment	<u>189,135</u>	
Total Teacher and Student Interaction Activities		\$ 49,030,230

Other Instructional Activities		606,837
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Pupil Support Activities	\$ 3,685,882	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		3,685,882

Instructional Staff Services	\$ 2,812,639	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		2,812,639

School Administration	\$ 5,708,211	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>5,708,211</u>

Total General Fund Instructional Expenditures (Total of Column B)		<u>\$ 61,843,799</u>
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Total General Fund Equipment Expenditures (Object 730; Function 1000-4000)		<u>\$ 909,144</u>
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Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 2,160,992	
Renewal Ad Valorem Tax	10,119,318	
Up to 1% of Collections by Sheriff on Taxes Other than School Taxes	318,468	
Sales and Use Taxes	<u>15,809,253</u>	
Total Local Taxation Revenue		<u>\$ 28,408,031</u>

Local Earnings on Investment in Real Property:

Earnings from 16 th Section Property	\$ 377,964	
Earnings from Other Real Property	8,942	
Total Local Earnings on Investment in Real Property		<u>\$ 386,906</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 131,048	
Revenue Sharing - Other Taxes	116,004	
Total State Revenue in Lieu of Taxes		<u>\$ 247,052</u>

Nonpublic Textbook Revenue		<u>\$ 38,646</u>
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Nonpublic Transportation Revenue		<u>\$ -</u>
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ACADIA PARISH SCHOOL BOARD

CLASS SIZE CHARACTERISTICS

As of October 1, 2021

School Type:	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary Regular Classes	70%	1,145	28%	458	3%	44	0%	0
Elementary Activity Classes	66%	218	28%	93	5%	15	1%	3
Middle School Regular Classes	78%	397	20%	101	2%	9	0%	0
Middle School Activity Classes	91%	133	10%	14	0%	0	0%	0
High School Regular Classes	85%	994	14%	163	1%	16	0%	0
High School Activity Classes	94%	215	6%	13	1%	1	0%	0
Combination School Regular Classes	73%	67	21%	67	6%	20	0%	0
Combination School Activity Classes	99%	84	0%	0	1%	1	0%	0

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

ACADIA PARISH SCHOOL BOARD

Incorporated July 11, 1887



Mr. Scott M. Richard
Superintendent

2402 North Parkerson Avenue
Post Office Drawer 309
Crowley, LA 70527-0309
337-783-3664 Phone
337-783-3761 Fax

Rebecca Foux Atkinson
President

James Etta David
Vice President

U.S. Department of Education

Audit Conducted By:

Thibodeaux Accounting Company, LLC
PO Box 34
Rayne, LA 70578

Audit Period: July 1, 2021-June 30, 2022

The findings from the June 30, 2022 schedule of findings and questioned costs are discussed below. The findings are numbered consistent with numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

Compliance:

2022-1 Failure to File Audited Financial Statements Timely

Recommendation

The Board should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Corrective Action Plan

The Board should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

The findings above will be evaluated and corrected action will be taken by December 31, 2023.

If there are any questions regarding this plan, please call Justin Carrier, CFO at (337) 783-3664.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 23, 2023

Mr. Scott Richard, Superintendent
and Members of the Acadia Parish School Board
Crowley, Louisiana
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, 2021- June 30, 2022. City Court of Crowley's management is responsible for those C/C areas identified in the SAUPs.

The Acadia Parish School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021- June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
No exception noted.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
No exception noted.
 - c) **Disbursements**, including processing, reviewing, and approving
No exception noted.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

Board or Finance Committee

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

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

No exception noted.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

No exception noted.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in 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 unrestricted fund balance in the general fund.

No exception noted.

Bank Reconciliations

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

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

No exceptions noted.

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

Bank reconciliations include evidence that they were signed by the CFO. The CFO has authorization and access to print signatures on checks.

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

No exceptions noted.

Collections (excluding EFTs)

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

The list was provided by management. Only one site for collections.

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

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Exception noted. Each employee collecting cash does not have separate cash drawer.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

We were unable to determine the collection date on one deposit.

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

No exceptions noted.

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

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

Only one location and management representation obtained.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

Checks are mailed by the Department's Secretary. All processing of payments is handled by the Accountant, The Accountant, Payroll Accountant and CFO have access to print checks with the signatures.

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

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions noted.

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

No exceptions noted.

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

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

The listing was provided without exception and representation was obtained.

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

- a) Observe that 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) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g. mayor of a Lawrason Act municipality); these instances should not be reported.])

No exceptions noted.

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

No finance charges or late fees were present.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe 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 note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

(1) No exceptions noted.

(2) No exceptions noted.

(3) No meal purchases.

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

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

- a) If reimbursed using a per diem, observe 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).

No exceptions noted.

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

No exceptions noted.

- c) Observe that each reimbursement is supported by documentation of business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions noted.

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

No exceptions noted.

Contracts

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Payroll and Personnel

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

The listing was provided without exception and representation was obtained.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

Management's representation obtained.

Ethics

20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

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

No exceptions noted.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

No exceptions noted.

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

No exceptions noted.

Fraud Notice

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

No misappropriations were reported.

24. 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.

No exception noted.

Information Technology Disaster Recovery/Business Continuity

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

26. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #16, 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.

No exceptions noted.

27. 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).

No exceptions noted.

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

- a) Number and percentage of public servants in the agency who have completed the training requirements:

No exceptions noted.

- b) Number of sexual harassment complaints received by the agency:

b) Number of sexual harassment complaints received by the agency:

No exceptions noted.

c) Number of complaints which resulted in a finding that sexual harassment occurred;

No exceptions noted.

d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

No exceptions noted.

e) Amount of time it took to resolve each complaint

No exceptions noted.

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

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

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



Thibodeaux Accounting Company

A Limited Liability Company

Rayne, Louisiana

June 23, 2023