



LaPorte, APAC
8555 United Plaza Blvd. | Suite 400
Baton Rouge, LA 70809
225.296.5150 | Fax 225.296.5151
LaPorte.com

February 15, 2022

Louisiana Legislative Auditor
c/o Gayle Fransen, CPA
P. O. Box 94397
Baton Rouge, LA 70804-9397

RE: East Carroll Parish School Board
Entity ID# 2631 CPA Firm ID# 660 CPA Contact ID # 1353

Dear Ms. Fransen:

We are resubmitting the audit report for the above client for the year ended for the June 30, 2021 for the following reason:

The audit report included a federal awards compliance finding. On the schedule of findings and questioned costs, question #5 was incorrectly answered no.

This document was previously submitted and approved by the LLA on January 12, 2022, with an audit control number of 72210495.

Please let us know if you have any questions or need additional information.

Sincerely,

John Murray, CPA
Director, Audit and Assurance Services

Attachment

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**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**



Annual Financial Report

As of and for the Year Ended June 30, 2021

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Independent Auditor's Report

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Carroll Parish School Board (the School Board) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 - 15, other postemployment benefits information on pages 63, net pension liability information and schedule of contributions on pages 64 and 65, and budgetary comparison information on pages 67 - 69, 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Carroll Parish School Board's basic financial statements. The accompanying other supplementary information, as listed in the table of contents, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying other supplementary information and the schedule of expenditures of federal awards 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2021 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 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.

Emphasis of a Matter

As discussed in Note 17 to the financial statements, the School Board adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, for the year ended June 30, 2021. The adoption of GASB Statement No. 84 required the School Board to report its school activity funds in governmental activities, whereas previously school activity funds were considered fiduciary funds. Adoption of this guidance required the School Board to restate beginning net position in its government-wide financial statements. Our opinion is not modified with respect to this matter.

Other Matter

The financial statements of the School Board, as of and for the year ended June 30, 2020, were audited by other auditors, whose report dated July 19, 2021, expressed an unmodified opinion on those financial statements.



A Professional Accounting Corporation

Baton Rouge, LA
December 9, 2021

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**REQUIRED SUPPLEMENTARY
INFORMATION**

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Our discussion and analysis of East Carroll Parish School Board's (the School Board) financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the School Board's financial statements, which follow this Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources liabilities at the close of the most recent fiscal by \$36.1 million (deficit net position). The unrestricted net position, which represents the amounts available to meet the School Board's ongoing obligations, was a deficit of \$41.7 million. The School Board is committed to provide post-employment benefits to its employees. As a result, the School Board has recognized substantial liabilities in the financial statement for these benefits. As of June 30, 2021, the School Board had liabilities of \$41.0 million for post-employment benefits, which has caused the deficit balance in the unrestricted net position.
- The School Board total net position decreased \$2.6 million primarily because of other post-employment benefit expenses incurred during the current fiscal year.
- At the close of the current fiscal year, the School Board's governmental funds reported fund balances of \$8.7 million, an increase of \$925 thousand in comparison with prior year. Approximately 71% of this amount, \$6.1 million, is available for spending at the School Board's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$6.1 million, or approximately 68% of total General Fund expenditures.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

USING THIS ANNUAL REPORT

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds: General Fund and Title 1 Fund.

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

Basic Financial Statements

**Government-Wide
Financial Statements**

↔

**Fund
Financial Statements**

Notes to Basic Financial Statements

Required Supplementary Information
Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios
Schedule of School Board's Proportionate Share of the Net Pension Liability
Schedule of School Board's Contributions for Pension Plans
Budgetary Information for Major Funds

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

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

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities

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

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

The Statement of Net Position and the Statement of Activities report the following activity for the School Board:

Governmental Activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the child nutrition fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental Funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations on Statements D and F.

The School Board as Trustee

THE SCHOOL BOARD AS A WHOLE

The School Board's net position was (\$36.1 million) at June 30, 2021. Of this amount (\$41.7 million) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use that net position for day-to-day operations.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

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

**Table 1
Net Position (in thousands)
June 30,**

	Governmental Activities		
	2021	2020 (Restated)	Variance
Assets			
Current Assets	\$ 9,637	\$ 8,564	\$ 1,073
Capital Assets, Net	4,196	4,573	(377)
Total Assets	13,833	13,137	696
Deferred Outflows of Resources	7,657	9,267	(1,610)
Liabilities			
Current Liabilities	971	985	(14)
Long-Term Liabilities	53,741	51,193	2,548
Total Liabilities	54,712	52,178	2,534
Deferred Inflows of Resources	2,897	3,858	(961)
Net Position			
Net Investment in Capital Assets	2,996	3,373	(377)
Restricted	2,537	2,024	513
Unrestricted	(41,652)	(38,869)	(2,783)
Total Net Position	\$ (36,119)	\$ (33,472)	\$ (2,647)

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

One portion of the School Board's net position (\$2.9 million) reflects its investment in capital assets (land, buildings, furniture and equipment) less accumulated depreciation and any related outstanding debt that was used to acquire those assets. The School Board uses these assets to provide a variety of educational services to its students. Accordingly, these assets are not available for future spending. Although the School Board's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the School Board's net position (\$2.4 million) is reported separately to show legal constraints from debt covenants and enabling legislation and other resources that are subject to external restrictions that limit the School Board's ability to use the net position for day-to-day operations.

At the end of the current fiscal year, the unrestricted net position was a deficit balance of \$41.7 million. The deficit is caused primarily by the approximately \$52.1 million in post-employment liabilities for Teachers' Retirement System of Louisiana (TRSL) and Louisiana School Employees' Retirement System (LSERS) pension plans (\$11.1 million) and from other post-employment benefit plan (OPEB) for retiree healthcare (\$41.0 million).

The School Board's total net position decreased by \$2.6 million primarily because post-employment benefit plan expenses incurred during the current period.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

**Table 2
Changes in Net Position (in thousands)
For the Years Ended June 30,**

	Governmental Activities		
	2021	2020 (Restated)	Variance
Revenues			
Program Revenues:			
Charges for Services	\$ -	\$ 4	\$ (4)
Federal Grants	4,917	3,380	1,537
State Grants	212	199	13
General Revenues:			
Ad Valorem Taxes	803	853	(50)
Sales and Use Taxes	2,792	1,815	977
State Minimum Foundation Program	5,892	6,577	(685)
Other General Revenues	495	731	(236)
Total Revenues	15,111	13,559	1,552
Expenses			
Instruction:			
Regular Programs	7,300	4,683	2,617
Special Programs	1,002	967	35
Other Instructional Programs	2,769	2,494	275
Support Services:			
Student Services	652	832	(180)
Instructional Staff Support	665	890	(225)
General Administration	516	629	(113)
School Administration	790	1,039	(249)
Business Services	468	449	19
Plant Services	1,602	1,937	(335)
Student Transportation Services	596	725	(129)
Food Services	1,379	1,412	(33)
Community Service Programs	2	3	(1)
Interest on Long-Term Debt	17	18	(1)
Total Expenses	17,758	16,078	1,680
Increase in Net Position	(2,647)	(2,519)	(128)
Net Position, Beginning (Restated)	(33,472)	(30,953)	(2,519)
Net Position, Ending	\$ (36,119)	\$ (33,472)	\$ (2,647)

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

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

**For the Year Ended June 30,
(in thousands)
Governmental Activities**

	Total Cost of Services			Net Cost of Services		
	2021	2020	Variance	2021	2020	Variance
Regular Programs	\$ 7,300	\$ 4,683	\$ 2,617	\$ 6,448	\$ 4,521	\$ 1,927
Special Programs	1,002	967	35	577	780	(203)
Other Instructional Programs	2,769	2,494	275	872	1,111	(239)
Plant Services	1,602	1,937	(335)	1,460	1,712	(252)
School Administration	790	1,039	(249)	774	1,039	(265)
Food Services	1,379	1,412	(33)	167	301	(134)
All Other	2,917	3,546	(629)	2,331	3,031	(700)
Total	\$ 17,759	\$ 16,078	\$ 1,681	\$ 12,629	\$ 12,495	\$ 134

THE SCHOOL BOARD'S FUNDS

As mentioned earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health. At June 30, 2021, the School Board reported fund balances of \$8.7 million, an increase of \$926 thousand in comparison with prior year. Of this amount, \$6.1 million, or 71%, constitutes unassigned fund balance, which is available for spending at the School Board's discretion. The remainder of the fund balance is either non-spendable or restricted to indicate that it is 1) not in a spendable form, \$11 thousand or 2) restricted for particular purposes, \$2.5 million.

The General Fund is our principal operating fund. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund. The fund balance of the General Fund increased from \$6.1 million to \$6.9 million or 12% during the current fiscal year. The primary reason for this change is due to an increase in sales tax collections.

Title I fund accounts for the federal funding received to help local educational agencies improve teaching and learning in high-poverty schools in particular for children failing, or most at-risk of failing, to meet challenging State academic standards. The School Board received \$1.6 million in Title I funding during the current fiscal year. Title I fund balance neither increased nor decreased since it is a cost reimbursement grant.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

General Fund Budgetary Highlights

The School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplementary information section of this report. The final budgeted revenues were increased \$1.1 million due mainly to an increase in budgeted sales tax revenues and ad valorem revenues. The final budgeted expenditures were increased by \$901 thousand due primarily from an increase in projected salaries and benefits.

In comparing the final budget to actual results, the actual amounts were \$14 thousand less than budgeted revenues. Actual expenditures were \$254 thousand less than budgeted expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the School Board had \$4.2 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$377 thousand or 8%, from last year.

**Capital Assets at June 30,
(in thousands)**

	Governmental Activities	
	2021	2020
Land	\$ 318	\$ 318
Buildings and Improvements	3,564	3,914
Furniture and Equipment	314	341
Total	\$ 4,196	\$ 4,573

More detailed information about our capital assets is presented in Note 5 of the Notes to the Financial Statements.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Debt Administration

At June 30, 2021, the School Board had \$1.2 million of debt outstanding which was unchanged from 2020. The outstanding debt consisted of:

**Long-Term Debt at June 30,
(in thousands)**

	2021	2020
QSCB Revenue Bonds, Series 2011	\$ 1,200	\$ 1,200
Total	\$ 1,200	\$ 1,200

Other long-term debt also includes compensated absences. We present more detailed information concerning long-term debt in Note 10 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The major changes anticipated in the 2021-2022 year is a decrease in MFP funding due to a loss of students and the receipt of the ESSER funding.

In March 2021, the School Board was notified by the Louisiana Department of Education of the School Board's allocation from the Elementary and Secondary School Emergency Relief Fund (ESSER II and ESSER III). ESSER II and ESSER III are federally funded cost reimbursement grants established by the Cares Act. East Carroll Parish School Board's total allocation is estimated to be approximately \$4.2 million for ESSER II and \$9.4 million for ESSER III. The remainder of the funds, 50% of ESSER II (\$2.1 million) and 80% of ESSER III (\$7.5 million) were awarded in July 2021.

In May 2021, the School Board awarded a bid contract for the construction of a new central office. The total cost of the project is estimated to be approximately \$492 thousand. This project will be funded by a \$272 thousand grant from the State of Louisiana's Capital Improvement Fund and \$220 thousand from the General Fund's excess fund balance. Anticipated completion of this project will be September, 2022.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

Our financial report is designed to provide parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Theresa Thomas, Business Manager, at East Carroll Parish School Board, P.O. Box 792, Lake Providence, Louisiana 71254-0792, telephone number (318) 559-2222.

BASIC FINANCIAL STATEMENTS

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Net Position
June 30, 2021**

Statement A

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 7,146,241
Investments	1,007,467
Receivables	1,471,844
Inventory	10,981
Capital Assets	
Land	318,180
Depreciable Capital Assets, Net of Depreciation	<u>3,877,970</u>
Total Assets	<u>13,832,683</u>
Deferred Outflows of Resources	
Deferred Outflows Related to Pensions	4,512,930
Deferred Outflows Related to Other Postemployment Benefits	<u>3,144,246</u>
Total Deferred Outflows of Resources	<u>7,657,176</u>
Liabilities	
Accounts Payable	155,495
Interest Payable	5,000
Accrued Expenses	810,994
Long-Term Liabilities	
Due in More than One Year	
Long-Term Debt, Bonds	1,200,000
Compensated Absences	379,597
Net Pension Liability	11,125,851
Other Postemployment Benefits	<u>41,035,673</u>
Total Liabilities	<u>54,712,610</u>
Deferred Inflows of Resources	
Deferred Inflows Related to Pensions	2,303,054
Deferred Inflows Related to Postemployment Benefits	<u>593,860</u>
Total Deferred Inflows of Resources	<u>2,896,914</u>
Net Position	
Net Investment in Capital Assets	2,996,150
Restricted for:	
Salary Enhancements	783,840
Debt Service	1,007,500
Child Nutrition	590,731
Student Activities	148,996
Construction	5,879
Unrestricted	<u>(41,652,761)</u>
Total Net Position	<u>\$ (36,119,665)</u>

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2021**

Statement B

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Instruction:				
Regular Programs	\$ 7,299,946	\$ -	\$ 851,454	\$ (6,448,492)
Special Programs	1,001,659	-	424,544	(577,115)
Other Instructional Programs	2,769,220	-	1,896,800	(872,420)
Support Services:				
Student Services	651,774	-	20,636	(631,138)
Instructional Staff Support	665,283	-	214,895	(450,388)
General Administration	515,903	-	327,083	(188,820)
School Administration	790,091	-	16,090	(774,001)
Business Services	467,951	-	9,198	(458,753)
Plant Services	1,602,447	-	142,312	(1,460,135)
Student Transportation Services	596,690	-	14,035	(582,655)
Food Services	1,379,115	79	1,212,200	(166,836)
Community Service Programs	2,000	-	-	(2,000)
Interest and Bank Charges	16,500	-	-	(16,500)
Total Governmental Activities	\$ 17,758,579	\$ 79	\$ 5,129,247	(12,629,253)
General Revenues:				
Taxes:				
Ad Valorem Taxes Levied for General and Debt Purposes				803,700
Sales and Use Taxes				2,792,369
Grants and Contributions Not Restricted to Specific Programs				
State Revenue Sharing				13,926
Equalization				5,892,138
Interest and Investment Earnings				120,555
Miscellaneous				358,665
Total General Revenues				9,981,353
Change in Net Position				(2,647,900)
Net Position, Beginning				(33,631,936)
Change in Accounting Principle				160,171
				(33,471,765)
Net Position, Ending				\$ (36,119,665)

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

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Balance Sheet - Governmental Funds
June 30, 2021**

Statement C

	General Fund	Title I	Non-Major Governmental Funds	Total
Assets				
Cash and Cash Equivalents	\$ 6,321,363	\$ -	\$ 824,878	\$ 7,146,241
Investments	207,467	-	800,000	1,007,467
Receivables	221,093	332,546	918,205	1,471,844
Interfund Receivables	1,500,907	-	-	1,500,907
Inventory	-	-	10,981	10,981
Total Assets	\$ 8,250,830	\$ 332,546	\$ 2,554,064	\$ 11,137,440
Liabilities				
Accounts Payable	\$ 102,809	\$ 7,824	\$ 44,862	\$ 155,495
Interfund Payables	431,070	324,722	745,115	1,500,907
Payroll Liabilities	810,994	-	-	810,994
Total Liabilities	1,344,873	332,546	789,977	2,467,396
Fund Balances				
Nonspendable	-	-	10,981	10,981
Restricted	783,840	-	1,753,106	2,536,946
Unassigned	6,122,117	-	-	6,122,117
Total Fund Balances	6,905,957	-	1,764,087	8,670,044
Total Liabilities and Fund Balances	\$ 8,250,830	\$ 332,546	\$ 2,554,064	\$ 11,137,440

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021**

Statement D

Total Fund Balances - Governmental Funds \$ 8,670,044

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

Cost of Capital Assets	13,445,535	
Accumulated Depreciation	<u>(9,249,385)</u>	4,196,150

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

Deferred Outflows Related to Pensions	4,512,930	
Deferred Outflows Related to Other Postemployment Benefits	3,144,246	
Deferred Inflows Related to Pensions	(2,303,054)	
Deferred Inflows Related to Other Postemployment Benefits	(593,860)	

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

Balances at June 30, 2021		
Long-Term Liabilities		
Revenue Bonds	(1,200,000)	
Compensated Absences Payable	(379,597)	
OPEB Liability	(41,035,673)	
Net Pension Liability	<u>(11,125,851)</u>	(53,741,121)

Interest on long-term debt is not recognized in governmental funds until it is due and payable (usually semi-annually); however, in the statement of net position that amount of interest which is payable but not yet due is recognized as a current liability.

		<u>(5,000)</u>
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Total Net Position - Governmental Activities		<u><u>\$ (36,119,665)</u></u>
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The accompanying notes are an integral part of these financial statements.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2021**

Statement E

	General Fund	Title I	Non-Major Governmental Funds	Total
Revenues				
Local Sources:				
Taxes:				
Ad Valorem	\$ 803,700	\$ -	\$ -	\$ 803,700
Sales and Use	2,792,369	-	-	2,792,369
Interest Earnings	103,739	-	6	103,745
Food Service	-	-	79	79
Other	239,654	-	135,821	375,475
Total Local Sources	<u>3,939,462</u>	<u>-</u>	<u>135,906</u>	<u>4,075,368</u>
State Sources:				
Equalization	5,882,703	-	9,435	5,892,138
State Revenue Sharing	13,926	-	-	13,926
Other	92,363	-	81,529	173,892
Total State Sources	<u>5,988,992</u>	<u>-</u>	<u>90,964</u>	<u>6,079,956</u>
Federal Sources	-	1,639,611	3,277,628	4,917,239
Total Revenues	<u>9,928,454</u>	<u>1,639,611</u>	<u>3,504,498</u>	<u>15,072,563</u>
Expenditures				
Current:				
Instruction:				
Regular Programs	3,172,617	-	720,975	3,893,592
Special Programs	712,142	-	424,544	1,136,686
Other Instructional Programs	760,022	1,456,258	520,728	2,737,008
Support Services:				
Student Services	629,141	-	22,633	651,774
Instructional Staff Support	351,260	155,406	59,489	566,155
General Administration	175,210	15,855	311,228	502,293
School Administration	774,001	-	16,090	790,091
Business Services	458,753	-	9,198	467,951
Plant Services	1,264,167	12,092	136,541	1,412,800
Student Transportation Services	540,829	-	14,035	554,864
Food Service	183,260	-	1,191,989	1,375,249
Community Service Programs	2,000	-	-	2,000
Facilities Acquisition	40,000	-	-	40,000
Debt Service:				
Interest and Bank Charges	-	-	16,500	16,500
Total Expenditures	<u>9,063,402</u>	<u>1,639,611</u>	<u>3,443,950</u>	<u>14,146,963</u>
Excess of Revenues Over Expenditures	<u>865,052</u>	<u>-</u>	<u>60,548</u>	<u>925,600</u>

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds (Continued)
For the Year Ended June 30, 2021**

Statement E

	General Fund	Title I	Non-Major Governmental Funds	Total
Other Financing (Uses) Sources				
Transfers In	-	-	107,190	107,190
Transfers Out	(107,190)	-	-	(107,190)
Total Other Financing (Uses) Sources	(107,190)	-	107,190	-
Net Change in Fund Balances	757,862	-	167,738	925,600
Fund Balances, Beginning	6,148,095	-	1,436,178	7,584,273
Change in Accounting Principle	-	-	160,171	160,171
Fund Balances, Beginning (Restated)	6,148,095	-	1,596,349	7,744,444
Fund Balances, Ending	\$ 6,905,957	\$ -	\$ 1,764,087	\$ 8,670,044

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2021**

Statement F

Total Net Change in Fund Balances - Governmental Funds	\$	925,600
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current year:

Capital Outlays	39,475	
Depreciation Expense	<u>(416,034)</u>	(376,559)

The recognition of pension expense in the statement of activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the governmental funds are the amounts actually paid.

	647,498
--	---------

In the statement of activities, compensated absences (vacations and sick leave) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

	41,720
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The recognition of OPEB expense in the statement of activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. OPEB expenditures in the governmental funds are the amounts actually paid.

	<u>(3,886,159)</u>
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Change in Net Position of Governmental Activities	\$	<u>(2,647,900)</u>
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The accompanying notes are an integral part of these financial statements.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

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**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The East Carroll Parish School Board (the School Board) was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within East Carroll Parish (the Parish). The School Board is authorized by 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 five members who are elected from five districts for terms of four years.

The School Board operates three schools within the Parish with a total enrollment of approximately 836 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or vocational education programs. In addition, the School Board provides transportation and school food services for the students.

GASB has issued and amended various statements which established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes, or set rates or charges, and issue bonded debt. The School Board also has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. Basis of Presentation - Fund Accounting

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Governmental Funds

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

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

Title I - This fund accounts for federal revenues used to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Services supplement, not supplant, those normally provided by state and local educational agencies.

C. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the statement of fiduciary net position and the statement of changes in fiduciary net position at the fund financial statement level.

The statement of net position and the statement of activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Program Revenues

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

Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately in the statement of activities. Other indirect expenses are not allocated.

Fund Financial Statements (FFS)

Governmental Funds

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

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

Revenues

Ad valorem taxes and sales taxes are susceptible to accrual.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (FFS) (Continued)

Revenues (Continued)

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

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

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30th.

Substantially all other expenditures are recognized when the related liability has been incurred.

Other Financing Sources (Uses)

Capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur

D. Cash and Cash Equivalents

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

E. Investments

Investments are limited by R.S. 33:2955 and the School Board's investment policy. The School Board's policy limits investments to direct U.S. Treasury obligations, bond, debentures, notes issued by or guaranteed by federal agencies; bonds, debentures, notes, or other evidence of indebtedness issued by the state of Louisiana or any other state in the United States, or any of the political subdivisions of any state, or by any domestic U.S. corporation, with limited exceptions noted in R.S. 33:2955, or certificates, or time deposits in any bank domiciled or having a branch office in Louisiana or any other federally insured investment.

If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

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

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

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

F. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

G. Inventories and Prepaid Expenses

Inventories of the governmental fund type financial statements are recorded as expenditures as purchased except for inventory of the Child Nutrition fund.

Inventories of the Child Nutrition 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 inventory items are recorded as expenditures when consumed. Unused commodities at June 30, 2021, are reported as unearned revenues. All purchased inventory items are valued at cost (first in, first out) and commodities are assigned values provided by the United States Department of Agriculture.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

H. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost, if historical cost is not known, and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$5,000 for all assets except intangibles - software that has a capitalization threshold of \$250,000. Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Assets	Years
Buildings	10 - 40 Years
Furniture and Equipment	3 - 10 Years
Intangibles	3 Years

I. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two items that qualify for reporting in this category that are related to OPEB and to pensions.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has two items that qualify for reporting in this category that are related to OPEB and to pensions.

Deferred outflows and inflows of resources related to pensions and OPEB are reported as components of unrestricted net position.

J. Unearned Revenues

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

K. Compensated Absences

The School Board has the following policy relating to sick and vacation leave:

All full time 12-month employees earn vacation leave each year as follows: 0 to 3 years of service earn 12 days; 4 to 10 years of service earn 15 days; and 11 years or more earn 18 days. Vacations must be taken during the fiscal year or otherwise forfeited. All School Board employees earn 10 days of sick leave each year. Sick leave may be accumulated and carried forward to succeeding years without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

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

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees when both of the following conditions are met:

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

The liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

L. Long-Term Liabilities

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

M. Restricted Net Position

For the government-wide Statement of Net Position, net position is reported as restricted if either of the following conditions exist:

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

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

N. Fund Equity of Fund Financial Statements

GASB Statement No. 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

1. *Non-spendable* - Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.
2. *Restricted* - Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. *Committed* - Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision-making authority. The Board is the highest level of decision-making authority for the School Board that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of a resolution by the School Board committing the funds.
4. *Assigned* - Fund balance that is constrained by the School Board's intent to be used for specific purposes but are neither restricted nor committed. Intent should be expressed by the Board.
5. *Unassigned* - Fund balance that is the residual classification for the General Fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amount restricted, committed, or assigned to those purposes.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

N. Fund Equity of Fund Financial Statements (Continued)

Restricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

O. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures, initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. Sales Taxes

The East Carroll Parish School Board has three sales tax ordinances as follows:

The School Board has a one-percent parish-wide sales and use tax as authorized in a special election held December 1967. In accordance with the proposition approved by the voters of the Parish, the net proceeds of the tax are to be used exclusively to supplement the payment of salaries for teachers in the public elementary and secondary schools of the Parish and/or for the expenses of operating the schools. Such operating expenses include payment of salaries of other personnel employed by the School Board.

The School Board also has an additional one-percent sales and use tax as authorized in a special election held July 17, 1993. In accordance with the proposition approved by voters of the parish, the net proceeds of the tax are to be used for the purpose of salary enhancement for teachers and other employees of the School Board, to be divided annually on an equal basis among all employees.

In October 1998, voters approved another one-percent sales and use tax. In accordance with the proposition approved by the voters of the parish, the net proceeds of the tax are to be used for salary enhancements for teachers and other employees of the School Board, to be divided annually on an equal basis among all employees.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Q. Budgets

General Budget Practices

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

State statute requires budgets to be adopted for the General Fund and all special revenue funds.

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the General Fund and special revenue funds' budgets that are not grant oriented. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. Grant funds are included in special revenue funds and their budgets are adopted at the time the grant applications are approved by the governor. The operating budgets include proposed expenditures and the means of financing them.

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

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

Encumbrances

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

Budget Basis of Accounting

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the School Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. These revisions were considered insignificant by the School Board.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

R. Use of Estimates

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

S. Eliminations and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

T. Pensions

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

U. Vendor Concentration

During the year ended June 30, 2021, the School Board paid a vendor that totaled 12% of total expenditures.

Note 2. Levied Taxes

The School Board levies taxes on real and business personal property located within East Carroll Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the East Carroll Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 2. Levied Taxes (Continued)

The calendar for the fiscal year is as follows:

Millage Rates Adopted	May 5, 2020
Due Date	December 31, 2020
Lien Date	January 1, 2021
Tax Sales Date - Delinquent	April 14, 2021

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

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service Properties, Excluding Land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll for 2020. Total assessed value was \$54,839,695 in calendar year 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$5,502,748 of the assessed value in calendar year 2020.

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

All property taxes are recorded in the General Fund. Revenues are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivables are considered available because they are substantially collected within 60 days subsequent to year-end.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 2. Levied Taxes (Continued)

The tax roll is prepared by the parish tax assessor in October of each year. The collection of the 2020 property taxes occurs in December, and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of maximum and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	Adjusted Maximum Millage	Levied Millage
Parish-Wide Taxes		
Constitutional	8.24	8.24
Maintenance and Operation	8.20	8.20

Note 3. Deposits and Investments

As of June 30, 2021, the School Board has cash and cash equivalents (book balances) as follows:

Statement A - Cash	\$ 7,146,241
Statement A - Investments (Time Deposits)	<u>207,467</u>
	7,353,708
Less: Deposits Classified as Investments	<u>(207,467)</u>
Total Cash and Cash Equivalents	<u>\$ 7,146,241</u>

These deposits are stated at cost, which approximates market. The School Board's policy requires that these deposits (or the resulting bank balances) 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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Custodial Credit Risk-Deposits: This is the risk that in the event of a bank failure, the government's deposit may not be returned to it. As of June 30, 2021, the School Board had a bank balance of \$8,369,729 in which \$7,827,116 was exposed to custodial credit risk because it was uninsured and secured by pledged securities held by the School Board's agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon request.

At June 30, 2021, the School Board had the following investments:

Description of Investment	Fair Value	Weighted Average Maturity
Certificate of Deposit	\$ 207,467	<1
U.S. Treasury SLGS	<u>800,000</u>	1 - 3
Total	<u>\$ 1,007,467</u>	

The School Board measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value as follows: Level 1 inputs are quoted prices for identical assets in active markets; Level 2 inputs are other observable inputs other than Level 1; and Level 3 inputs are other unobservable inputs.

The recurring fair value measurement for the U.S. Treasury securities totaling \$800,000 were determined using quoted market prices (Level 2). The nonnegotiable certificate of deposit is measured at cost. The School Board's investment in U.S. Treasury SLGS is to be used exclusively for the QSCB 2011 principal payment due on March 1, 2023.

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

Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counter party, the School Board will not be able to recover the value of its investments. The School Board's investment of \$800,000 in U.S. Treasuries are registered in the School Board's name held by the Trust department of a financial institution. The School Board's policy does not address custodial credit risk.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 4. Receivables

The receivables at June 30, 2021 were as follows:

Class of Receivables	General Fund	Title I Fund	Non-Major Governmental Funds	Total
Taxes:				
Sales and Use	\$ 208,878	\$ -	\$ -	\$ 208,878
Intergovernmental - Grants				
Federal	-	332,546	877,697	1,210,243
State	10,302	-	40,508	50,810
Other	1,913	-	-	1,913
Total	\$ 221,093	\$ 332,546	\$ 918,205	\$ 1,471,844

The School Board expects to collect these balances in full; therefore, no allowance for doubtful accounts was established.

Note 5. Capital Assets

Capital asset balances and activity for the year ended June 30, 2021 are as follows:

Governmental Activities	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital Assets, Not Being Depreciated				
Land	\$ 318,180	\$ -	\$ -	\$ 318,180
Capital Assets, Being Depreciated				
Buildings and Improvements	11,524,665	-	-	11,524,665
Furniture and Equipment	1,563,215	39,475	-	1,602,690
Total Capital Assets, Being Depreciated	13,087,880	39,475	-	13,127,355
Less Accumulated Depreciation for:				
Buildings and Improvements	7,611,270	350,161	-	7,961,431
Furniture and Equipment	1,222,081	65,873	-	1,287,954
Total Accumulated Depreciation	8,833,351	416,034	-	9,249,385
Total Capital Assets Being Depreciated, Net	4,254,529	(376,559)	-	3,877,970
Governmental Activities Capital Assets, Net	\$ 4,572,709	\$ (376,559)	\$ -	\$ 4,196,150

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$	356,706
Other Instructional Programs		-
School Administration		-
Plant Services		3,713
General Administration		8,050
Special Education		1,873
Student Transportation		41,826
Food Services		3,866
		<hr/>
Total Depreciation Expense	\$	416,034

Note 6. Pension Plans

The School Board is a participating employer in two statewide, public employee retirement systems, the Louisiana School Employees' Retirement System (LSERS) and the Teachers' Retirement System of Louisiana (TRSL). Both systems have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contribution rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Each system issues a public report that includes financial statements and required supplementary information. Copies of these reports for LSERS and TRSL may be obtained at www.lasers.net and www.trsl.org, respectively.

General Information about the Pension Plans

Plan Descriptions/Benefits Provided

Louisiana School Employees' Retirement System

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Louisiana School Employees' Retirement System (Continued)

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

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 $\frac{1}{3}$ % of the average compensation for the 3 highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 $\frac{1}{3}$ % of the average compensation is used to calculate benefits; however, the calculation consists of the 5 highest consecutive years of membership service, subject to the 10% salary limitation. For members who joined the system on or after July 1, 2010, 2 $\frac{1}{2}$ % of the average compensation is used to calculate benefits and consists of the 5 highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement, and has become totally and permanently disabled, and is certified as disabled by the State Medical Disability Board. A vested person with 20 or more years of creditable service is eligible for a disability benefit until normal retirement age. A member who joined the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with 5 or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Teachers' Retirement System of Louisiana

TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S. 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011. The age and years of creditable service required for a member to receive retirement benefits are established by R.S. 11:761 and vary depending on the member's hire date. The computation for retirement benefits is defined in R.S. 11:768.

Most of the TRSL members at the School Board are participants in the Regular Plan. In the regular plan, eligibility for retirement is determined by the date the member joined TRSL. Members hired prior to January 1, 2011, are eligible to receive retirement benefits (1) at the age of 60 with five years of service, (2) at the age of 55 with at least 25 years of service, or (3) at any age with at least 30 years of service. Members hired between January 1, 2011, and June 30, 2015, are eligible to retire at age 60 with five years of service. Members hired on or after July 1, 2015, are eligible to retire at age 62 with five years of service. All regular plan members are eligible to retire at any age with 20 years of service, but the benefit is actuarially reduced if the member is hired on or after July 1, 1999. Retirement benefits for regular plan members are calculated by applying a percentage ranging from 2% to 2.5% of final average compensation multiplied by years of creditable service. Average compensation is defined in R.S. 11:701 as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed on or after that date.

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Teachers' Retirement System of Louisiana (Continued)

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been in state service at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of 20 years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. The minimum service credit requirement is ten years for a surviving spouse with no minor children. Surviving spouse benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2.5% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. Benefits are paid for life to a qualified handicapped child. Benefits are paid for life to a surviving spouse unless the deceased active member has less than 20 years of creditable service and the surviving spouse remarries before the age of 55.

Deferred Retirement Option Program (DROP)

Both LSERS and TRSL have established a 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 up to three years. The election is irrevocable once participation begins. During participation, benefits otherwise payable are fixed and deposited in an individual DROP account. Upon leaving DROP and terminating employment, members must choose among available alternatives for the distribution of benefits that have accumulated in their DROP accounts. Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial lump-sum benefit option in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits.

Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of ad hoc permanent benefit increases, also known as cost of living adjustments (COLAs), which are funded through investment earnings when recommended by the retirement systems' board of trustees and approved by the Legislature. Both LSERS and TRSL have established an experience account to fund permanent benefit increases for retirees. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as these ad hoc COLAs were deemed not to be substantively automatic.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Contributions

Employee contribution rates are established by R.S. 11:62. Employer contribution rates are established annually under R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the respective pension system actuary. Employer contribution rates are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Each LSERS and TRSL sub-plan pays a separate actuarially determined employer contribution rate. However, all assets of the pension plan are used for the payment of benefits for all classes of members, regardless of their sub-plan membership. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions is used to fund the TRSL defined benefit plan's unfunded accrued liability.

Employer contributions to LSERS for fiscal year 2021 were \$140,158, with active member contributions ranging from 7.5% to 8.0%, and employer contributions of 28.7%. Employer defined benefit plan contributions to TRSL for fiscal year 2021 were \$1,356,397, with active member contributions of 8.0%, and employer contributions of 25.8%. Non-employer contributions to TRSL, which are comprised of \$38,116 from ad valorem taxes and revenue sharing funds for fiscal year 2021. These non-employer contributions were recorded as revenue and were used as employer contributions.

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

At June 30, 2021, the School Board reported liabilities of \$1,300,290 and \$9,825,561 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2020, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2020, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were 0.161837%, or a decrease of 0.004812% for LSERS and 0.08833% or a decrease of 0.00386% for TRSL.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

For the year ended June 30, 2021, the School Board recognized a total pension expense of \$1,016,792 for TRSL and a total pension expense of \$287,118 for LSERS. The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources: At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences between Expected and Actual Experience	\$ -	\$ -	\$ -	\$ 32,009	\$ 157,722	\$ 189,731
Changes of Assumptions	7,749	584,524	592,273	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	197,981	758,475	956,456	-	-	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	31,480	1,436,166	1,467,646	21,303	2,092,020	2,113,323
Employer Contributions Subsequent to the Measurement Date	140,158	1,356,397	1,496,555	-	-	-
Total	\$ 377,368	\$ 4,135,562	\$ 4,512,930	\$ 53,312	\$ 2,249,742	\$ 2,303,054

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amortization Amounts		
	LSERS	TRSL	Total
2022	\$ 35,105	\$ 21,911	\$ 57,016
2023	43,211	263,229	306,440
2024	60,111	281,248	341,359
2025	45,471	(36,965)	8,506

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions

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

	LSERS	TRSL
Valuation Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	7.00%, net of investment expense, including inflation	7.45%, net of investment expense
Inflation Rate	2.50% per annum	2.30% per annum
Projected Salary Increases	2013 - 2017 experience study, 3.25%	3.10% - 4.60% (varies depending on duration of service)
Mortality - Non-Disabled Active	RP-2014 Sex Distinct Employee Table	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females
Mortality - Retiree/Inactive	RP-2014 Healthy Annuitant Table	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females
Mortality - Disabled	RP-2014 Sex Distinct Mortality Table	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females Base tables for active, non-disabled retirees, and disabled retirees are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables
Termination, Disability, Retirement	2012-2017 Experience Study	2012-2017 Experience Study
Cost-of-Living Adjustments	Non-substantively Automatic	Non-substantively Automatic

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Changes of Assumptions: The TRSL discount rate used in the June 30, 2020 net pension liability valuation was decreased from the 7.55% used in the June 30, 2019 valuation to 7.45%. The discount rate was reduced in accordance with the TRSL Board's adopted plan to reduce the discount rate to 7.45% in 0.10% annual increments.

For TRSL, the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing /diversification. The resulting expected long-term rate of return was 8.17% for 2020.

Best estimates of arithmetic real rates of return for each major asset class included in TRSL's target asset allocation as of June 30, 2020, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	27.00%	4.60%
International Equity	19.00%	5.54%
Domestic Fixed Income	13.00%	0.69%
International Fixed Income	5.50%	1.50%
Private Equity	25.50%	8.62%
Other Private Assets	10.00%	4.45%
Total TRSL	100.00%	

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk returns 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.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in LSERS' target asset allocation as of June 30, 2020, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income	26.00%	0.92%
Equity	39.00%	2.82%
Alternatives	23.00%	1.95%
Real Estate	12.00%	0.69%
Total LSERS	100.00%	
Inflation	2.00%	

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk returns and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting expected long-term rate of return was 8.38% for 2020.

Discount Rate. The discount rate used to measure the total pension liability was 7.00% for LSERS and 7.45% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at actuarially determined rates approved by the PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
School Board's Proportionate Share of the LSERS Net Pension Liability	\$ 1,703,188	\$ 1,300,290	\$ 955,709
School Board's Proportionate Share of the TRSL Net Pension Liability	12,826,440	9,825,561	7,299,405

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

Payables to the Pension Plan. At June 30, 2021, the School Board had \$10,029 and \$230,454 in payables to LSERS and TRSL, respectively, for the June 2021 employee and employer legally required contributions.

Note 7. Other Postemployment Benefits (OPEB)

Plan Description

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Benefits Provided and Funding Policy

The plan provides medical and life insurance benefits for retirees and their dependents. The contribution requirements of plan members and the School Board are established and may be amended by R.S. 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute approximately 25% of the medical premium with the School Board contributing the balance. This percentage will be greater for eligible retirees with less than 20 years of service. Medical coverage is provided through options under the Louisiana Office of Group Benefits. A Medicare supplement benefit is provided at Medicare eligibility. Benefits continue for life.

Life insurance coverage under the OGB program is available to retirees by election based on the blended rate (active and retired). The employer pays 50% of the cost of the retiree life insurance by based on this blended rate. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Employees Covered by Benefit Terms

According to the July 1, 2019 valuation, the following employees were covered by benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	122
Inactive Plan Members or Beneficiaries Entitled to but not yet Receiving Benefit Payments	-
Active Plan Members	<u>90</u>
Total	<u><u>212</u></u>

Total OPEB Liability

The School Board's total OPEB liability of \$41,035,673 was measured as of June 30, 2021 and was determined by an actuarial as of July 1, 2019. The liability will be liquidated by the General Fund.

Rollforward of OPEB to June 30, 2021

The total OPEB liability is based on census information as of July 1, 2019 and benefit payments and salary information as of June 30, 2020 and June 30, 2021. There have been no significant changes between the valuation date and fiscal year end.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Discount Rate	2.16% based on the Bond Buyer General Obligation 20-Bond Municipal Index
Healthcare Cost Trend Rates	Range from 6.2%-3.7% for pre-65 and 5.4%-3.7% for post-65, using an inflation rate of 2.2% and without ACA Excise Tax
Mortality - Pre-Retirement	Sex-distinct Pub-2010 General Mortality Table for employees projected generationally using improvement scale MP-2020
Mortality - Post-Retirement	Sex-distinct Pub-2010 General Mortality Table for retirees, projected generationally using improvement scale MP-2020
Mortality - Disability Retirement	Sex-distinct Pub-2010 General Mortality Table for disabled participants, projected generationally using improvement scale MP-2020
Withdrawal Rates	Ranges from 9.0% at age 25 to 4.0% at ages 50 and over
Retirement Rates	Ranges from 4.0% at age 39 increasing to 25.6% at age 60, declining 21.9% at age 69. Age 73 and older is 100%
Salary Increases, Average Including Inflation	3.0%

The Plan has not had a formal actuarial experience study performed. Utilizing the “pay as you go” method, the School Board contributed \$573,445 in benefits payments.

Changes of Assumptions

The discount rate was adjusted from 2.21% to 2.16%, the bond buyer 20-general obligation index as of June 30, 2021 as required by GASB Statement No. 75.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Changes in the Net OPEB Liability

	Total OPEB Liability
Balances at July 1, 2020	\$ 39,255,572
Changes for the Year	
Service Cost	1,122,653
Interest Cost	886,057
Benefit Payments	(573,445)
Effect Assumptions Changes or Input Discount rate	<u>344,836</u>
Net Changes for the Year	<u>1,780,101</u>
Balance as of June 30, 2021	<u><u>\$ 41,035,673</u></u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The following presents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if calculated using a discount rate that is 1% lower (1.16%) or 1% higher (3.16%) than the current discount rate:

	1.0% Decrease	Discount Rate 2.16%	1.0% Increase
Net OPEB Liability	<u>\$ 48,264,431</u>	<u>\$ 41,035,673</u>	<u>\$ 35,318,563</u>

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate: The following presents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if calculated using a health care cost trend rate that is 1% lower than the current health care cost trend rate:

	1.0% Decrease	Current Healthcare Cost Trend Rate	1.0% Increase
Net OPEB Liability	<u>\$ 34,579,469</u>	<u>\$ 41,035,673</u>	<u>\$ 49,292,983</u>

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2021, the School Board recognized OPEB of \$4,459,604. At June 30, 2021, the School Board reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 593,860
Changes in assumptions	3,144,246	-
Total	\$ 3,144,246	\$ 593,860

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

Year Ending June 30,	Amount
2022	\$ 1,767,530
2023	733,595
2024	49,261

Note 8. Compensated Absences

At June 30, 2021, employees of the School Board had accumulated and vested \$379,597. These employee leave benefits were computed in accordance with GASB Codification Section C60.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 9. Interfund Transactions (FFS Level Only)

Interfund receivables/payables at June 30, 2021 were as follows:

Receivable Fund	Payable Fund	Amount
General	Title I	\$ 324,722
General	General	431,070
General	Non-major Governmental	745,115
Total		\$ 1,500,907

The purpose of interfund receivable/payables between the General Fund, Title I and Non-major Governmental funds is to cover expenditures on cost reimbursement programs until reimbursements are received.

Interfund transfers:

	Transfers in	Transfers Out	Amount
Non-major Governmental Funds	\$ 107,190	\$ -	\$ 107,190
General Fund	-	(107,190)	(107,190)
Total			\$ -

The General Fund transferred money to the Debt Service fund to account for current year debt transactions.

Note 10. Long-Term Liabilities

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

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Private Placement Revenue Bonds					
QSCB Revenue Bond	\$ 1,200,000	\$ -	\$ -	\$ 1,200,000	\$ -
Other Liabilities					
Compensated Absences	421,317	204,129	(245,849)	379,597	-
Governmental Activities Long-Term Liabilities	\$ 1,621,317	\$ 204,129	\$ (245,849)	\$ 1,579,597	\$ -

The compensated absences liability attributable to the governmental activities will be liquidated 100% by the General Fund.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 10. Long-Term Liabilities (Continued)

The School Board issues debt to construct, acquire and improve energy facilities and equipment as part of an energy retrofit project. Payments on the private placement debt are made from the General Fund through transfers to the Debt Service fund.

The private placement individual bond issues are as follows:

Bond	Bond Issue Date	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
QSCB Revenue Bonds, Series 2011	June 9, 2021	1,200,000	1.25%	June 15, 2023	30,000	\$ 1,200,000
Total						\$ 1,200,000

All principal and interest requirements are funded from general operating funds of the General Fund. The School Board's debt service requirements are due as follows:

Year Ending June 30,	QSCB Bond		
	Principal Payments	Interest Payments	Total
2022	\$ -	\$ 15,000	\$ 15,000
2023	1,200,000	15,000	1,215,000
Total	\$ 1,200,000	\$ 30,000	\$ 1,230,000

In accordance with the Louisiana Revised Statutes 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2021, the statutory limit was \$19,193,893 and the outstanding net bonded debt totaled \$-0-.

Pledged Revenue. In February 2011, the School Board issued \$1,200,000 in taxable Qualified School Construction Bonds (QSCB) to finance the renovation and repair of public school facilities. The School Board has pledged, as security for the bonds, a portion of the 8.2 mills constitutional ad valorem tax. The bonds are payable solely from constitutional tax collected and are payable through 2023. Annual sinking fund and interest payments are expected to require approximately 29% of the tax revenues over the next three years. Total sinking fund contributions and interest remaining to be paid on the QSCB bonds is \$300,000 in sinking fund contributions and \$45,000 in interest. For the year ended June 30, 2021, the School Board received \$404,565 from the collection of the 8.2 mills and paid \$15,000 in debt service interest payments and made the required annual contribution of \$100,000 into the QSCB sinking fund investment account.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 11. Risk Management

The School Board is at risk for property damage, liability and theft which are covered by insurance policies. The School Board is also fully insured for workers' compensation. Settled claims have not exceeded commercial insurance in any of the past three years.

Note 12. Litigation and Claims

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

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

Energy Performance Contract The School Board entered into an energy performance contract with TAC Americas, Inc. in November 2004. The contract includes a stipulated operational savings. The Louisiana Attorney General issued an opinion (A.G. Opinion No. 07-0002) regarding a similar contract with another School Board and concluded that some of these contracts may not meet the statutory definition of a performance-based energy contract.

Note 13. On-Behalf Payments for Fringe Benefits and Salaries

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

The Parish Tax Collector makes retirement remittances to the teacher's retirement system of the State of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Tax Collector's office. For 2020, the Tax Collector paid the Teacher's Retirement System of Louisiana \$38,116.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 13. On-Behalf Payments for Fringe Benefits and Salaries (Continued)

The State of Louisiana made pension contributions (regarding the Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$1,112. This amount was recognized as state revenue and as a corresponding expenditure in the applicable fund from which the salary was paid.

Note 14. Fund Balance Classification Details

The following are details of the fund balance classifications.

	General Fund	Non-Major Governmental Fund	Total
Nonspendable	\$ -	\$ 10,981	\$ 10,981
Restricted for:			
School Construction	-	5,879	5,879
Debt Service	-	1,007,500	1,007,500
Child Nutrition	-	590,731	590,731
Student Activities		148,996	148,996
Salary Enhancements	783,840		783,840
Unassigned	6,122,117	-	6,122,117
Total	\$ 6,905,957	\$ 1,764,087	\$ 8,670,044

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 15. Tax Abatements

The School Board is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period often years. The exemption is for the "contract" value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended June 30, 2021 by authorized millage is as follows:

Tax Code	Millage	Assessed Valuate Lost to ITEP	Estimated Tax Dollar Lost to ITEP
Constitutional	8.20	\$ 32,307	265
Maintenance and Operations	8.24	32,307	266

The Louisiana Economic Development Corporation provides incentives for economic development which include an industrial ad valorem tax exemption for up to ten years. During the year ended June 30, 2021, the total School Board's ad valorem taxes abated were \$531.

Note 16. Change in Presentation

In prior year, the Debt Service was reported as a major fund and in the current year is reported as a nonmajor fund due to the size of its assets.

Note 17. Change in Accounting Principle

The School Board adopted GASB Statement No. 84, *Fiduciary Activities* in the year ended June 30, 2021. The adoption of the Statement resulted in a change in accounting principle in the amount of \$160,171 which increased the fund balance in the Student Activities special revenue fund and the net position of the Governmental Activities as the student activity funds which were previously reported as agency funds were reclassified as governmental activities.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 18. Recently Issued Accounting Pronouncements

New Upcoming Accounting Pronouncements

The GASB issued Statement No. 87, *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of Statement No. 87 to reporting periods beginning after June 15, 2021.

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of Statement No. 89 to reporting periods beginning after December 15, 2020.

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The Statement is effective for fiscal years beginning after June 15, 2022.

The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The Statement amends Questions 4.3 and 4.5 of Implementation Guide 201-2. The requirements of this Statement related to the accounting and financial reporting for Internal Revenue Code Section 457 plans are effective June 15, 2021.

Note 19. Contingency

On January 30, 2020, 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, 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 area in which the School Board operates. It is unknown how long these conditions will last and what the complete financial effect will be to the School Board.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Changes in the School Board's
Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2021**

Exhibit 1-1

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 1,122,653	\$ 764,164	\$ 727,473	\$ 699,106
Interest Cost	886,057	1,139,383	1,111,814	973,727
Losses due to Differences Between Expected and Actual Experience	-	(1,385,672)	-	2,116,155
Changes in Assumptions or Other Inputs	344,836	5,831,165	1,740,860	653,044
Benefit Payments	(573,445)	(672,918)	(653,184)	(574,025)
Net Change in OPEB Liability	1,780,101	5,676,122	2,926,963	3,868,007
Total OPEB Liability, Beginning	39,255,572	33,579,450	30,652,487	26,784,480
Total OPEB Liability, Ending	\$ 41,035,673	\$ 39,255,572	\$ 33,579,450	\$ 30,652,487
Covered Employee Payroll	\$ 6,994,172	\$ 6,393,547	\$ 6,376,753	\$ 7,229,454
Net OPEB Liability as a Percentage of Covered Employee Payroll	586.71%	613.99%	526.59%	423.99%

NOTES:

GASB 75 requires this schedule to show information for 10 years. The School Board has implemented GASB 75 in its 2018 fiscal year. Therefore, additional years will be displayed as they become available.

No assets are accumulated in a trust that meets the criteria in GASB 74, paragraph 4, to pay related benefits.

Changes in Assumptions

Discount rate used in valuation was 2.16%, 2.21%, 3.5% and 3.87% for the years ended June 30, 2021, 2020, 2019, and 2018, respectively.

Mortality Rates

2018-2019: RP-2014 Mortality Tables projected backwards to 2006 with Mortality Improvement Scale MP-2014 and then forward with Mortality Improvement Scale MP-2018 on a generational basis.

2020-2021: Sex-distinct Pub-2010 General Mortality Tables, projected generationally using improvement scale MP-2020

See accompanying independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of School Board's Proportionate Share of
the Net Pension Liability
For the Year Ended June 30, 2021**

Exhibit 1-2

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Louisiana School Employees' Retirement System					
2021	0.161837%	\$ 1,300,290	\$ 489,566	266%	69.67%
2020	0.166649%	1,166,646	481,904	242%	73.49%
2019	0.152011%	1,015,642	438,482	232%	74.44%
2018	0.115099%	736,550	329,491	224%	75.03%
2017	0.130881%	987,297	371,871	265%	70.09%
2016	0.167489%	1,062,096	407,986	260%	74.49%
2015	0.162521%	943,669	456,069	207%	76.18%
Teacher's Retirement System of Louisiana					
2021	0.08833%	\$ 9,825,561	\$ 5,102,126	193%	65.6%
2020	0.09219%	9,149,237	5,229,316	175%	68.6%
2019	0.11526%	11,327,579	6,103,995	186%	68.2%
2018	0.10264%	10,522,424	5,235,850	201%	65.6%
2017	0.10909%	12,803,292	5,325,200	240%	59.9%
2016	0.11145%	11,983,313	5,789,766	207%	62.5%
2015	0.12106%	12,373,974	6,142,496	201%	63.7%

NOTES:

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

GASB 68 requires this schedule to show information for 10 years. The School Board has implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

See accompanying independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of School Board's Contributions
for Pension Plans
For the Year Ended June 30, 2021**

Exhibit 1-3

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
Louisiana School Employees' Retirement System					
2021	\$ 140,158	\$ 140,158	\$ -	\$ 519,746	27.0%
2020	143,932	143,932	-	489,566	29.4%
2019	134,933	134,933	-	481,904	28.0%
2018	121,021	121,021	-	438,482	27.6%
2017	89,951	89,951	-	329,491	27.3%
2016	112,305	112,305	-	371,871	30.2%
2015	126,822	126,822	-	407,986	31.1%
Teacher's Retirement System of Louisiana					
2021	\$ 1,356,397	\$ 1,356,397	\$ -	\$ 5,257,347	25.8%
2020	1,326,553	1,326,553	-	5,102,126	26.0%
2019	1,396,227	1,396,227	-	5,229,316	26.7%
2018	1,623,663	1,623,663	-	6,103,995	26.6%
2017	1,335,142	1,335,142	-	5,235,850	25.5%
2016	1,400,527	1,400,527	-	5,325,220	26.3%
2015	1,616,916	1,616,916	-	5,789,766	27.9%

NOTES:

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

GASB 68 requires this schedule to show information for 10 years. The School Board has implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

See accompanying independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedules and
Major Fund Descriptions
For the Year Ended June 30, 2021**

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

TITLE I - This program is designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Services supplement, not supplant, those normally provided by state and local educational agencies.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2021**

Exhibit 2-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local Sources:				
Taxes:				
Ad Valorem	\$ 661,278	\$ 803,000	\$ 803,700	\$ 700
Sales and Use	1,500,000	2,793,000	2,792,369	(631)
Interest Earnings	261,553	205,001	103,739	(101,262)
Other	87,174	141,021	239,654	98,633
Total Local Sources	2,510,005	3,942,022	3,939,462	(2,560)
State Sources:				
Equalization	6,277,884	5,834,503	5,896,629	62,126
Other	71,740	165,548	92,363	(73,185)
Total State Sources	6,349,624	6,000,051	5,988,992	(11,059)
Total Revenues	8,859,629	9,942,073	9,928,454	(13,619)
Expenditures				
Current:				
Instruction:				
Regular Programs	3,312,065	3,122,125	3,172,617	(50,492)
Special Programs	536,544	714,137	712,142	1,995
Other Instructional Programs	484,467	735,985	760,022	(24,037)
Support Services:				
Student Services	583,999	631,767	629,141	2,626
Instructional Staff Support	214,925	360,342	351,260	9,082
General Administration	449,557	504,131	175,210	328,921
School Administration	668,473	777,761	774,001	3,760
Business Services	328,935	460,693	458,753	1,940
Plant Services	1,424,799	1,291,486	1,264,167	27,319
Student Transportation Services	477,439	544,343	540,829	3,514
Food Service Operations	-	133,000	183,260	(50,260)
Community Service Programs	2,000	2,000	2,000	-
Facilities Acquisition	100,000	40,000	40,000	-
Total Expenditures	8,583,203	9,317,770	9,063,402	254,368
Excess of Revenues Over Expenditures	276,426	624,303	865,052	240,749

**EAST CARROLL PARISH SCHOOL BOARD
 LAKE PROVIDENCE, LOUISIANA
 Budgetary Comparison Schedule (Continued)
 General Fund
 For the Year Ended June 30, 2021**

Exhibit 3-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Other Financing Sources (Uses)				
Transfers In	170,000	400,000	-	(400,000)
Transfers Out	(258,193)	(107,190)	(107,190)	-
Total Other Financing Sources (Uses)	(88,193)	292,810	(107,190)	(400,000)
Net Change in Fund Balance	188,233	917,113	757,862	(159,251)
Fund Balance, Beginning	6,148,095	6,148,095	6,148,095	-
Fund Balance, Ending	\$ 6,336,328	\$ 7,065,208	\$ 6,905,957	\$ (159,251)

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedule
Title I
For the Year Ended June 30, 2021**

Exhibit 2-2

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal Sources	\$ 1,658,380	\$ 1,658,380	\$ 1,639,611	\$ (18,769)
Expenditures				
Current:				
Instruction:				
Other Instructional Programs	1,472,928	1,472,928	1,456,258	16,670
Support Services:				
Instructional Staff Support	157,185	157,185	155,406	1,779
General Administration	16,036	16,036	15,855	181
Plant Services	12,231	12,231	12,092	139
Total Expenditures	<u>1,658,380</u>	<u>1,658,380</u>	<u>1,639,611</u>	<u>18,769</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER SUPPLEMENTARY INFORMATION

**COMBINING NON-MAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Combining Non-Major Governmental Funds
Combining Balance Sheet - by Fund Type
June 30, 2021**

Exhibit 3

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 611,499	\$ 207,500	\$ 5,879	\$ 824,878
Investments	-	800,000	-	800,000
Receivables	918,205	-	-	918,205
Inventory	10,981	-	-	10,981
Total Assets	\$ 1,540,685	\$ 1,007,500	\$ 5,879	\$ 2,554,064
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 44,862	\$ -	\$ -	\$ 44,862
Interfund Payables	745,115	-	-	745,115
Total Liabilities	789,977	-	-	789,977
Fund Balances				
Nonspendable	10,981	-	-	10,981
Restricted	739,727	1,007,500	5,879	1,753,106
Total Fund Balances	750,708	1,007,500	5,879	1,764,087
Total Liabilities and Fund Balances	\$ 1,540,685	\$ 1,007,500	\$ 5,879	\$ 2,554,064

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Combining Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - by Fund Type
For the Year Ended June 30, 2021**

Exhibit 4

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
Revenues				
Interest Earnings	\$ 6	\$ -	\$ -	\$ 6
Food Services	79	-	-	79
Other	119,011	16,810	-	135,821
Total Local Sources	119,096	16,810	-	135,906
State Sources:				
Equalization	9,435	-	-	9,435
Other	81,529	-	-	81,529
Total State Sources	90,964	-	-	90,964
Federal Sources	3,277,628	-	-	3,277,628
Total Revenues	3,487,688	16,810	-	3,504,498
Expenditures				
Current:				
Instruction:				
Regular Programs	720,975	-	-	720,975
Special Programs	424,544	-	-	424,544
Other Instructional Programs	520,728	-	-	520,728
Support Services:				
Student Services	22,633	-	-	22,633
Instructional Staff Support	59,489	-	-	59,489
General Administration	311,228	-	-	311,228
School Administration	16,090	-	-	16,090
Business Services	9,198	-	-	9,198
Plant Services	136,541	-	-	136,541
Student Transportation Services	14,035	-	-	14,035
Food Services	1,191,989	-	-	1,191,989
Debt Service:				
Interest and Bank Charges	-	16,500	-	16,500
Total Expenditures	3,427,450	16,500	-	3,443,950
Excess of Revenues Over Expenditures	60,238	310	-	60,548

**EAST CARROLL PARISH SCHOOL BOARD
 LAKE PROVIDENCE, LOUISIANA
 Combining Non-Major Governmental Funds
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances - by Fund Type (Continued)
 For the Year Ended June 30, 2021**

Exhibit 4

	Total Non-Major Special Revenue	Total Non-Major Debt Service	Total Non-Major Capital Projects	Total Non-Major Governmental Funds
Other Financing (Uses) Sources				
Transfers In	-	107,190	-	107,190
Total Other Financing (Uses) Sources	-	107,190	-	107,190
Net Change in Fund Balances	60,238	107,500	-	167,738
Fund Balances, Beginning	530,299	900,000	5,879	1,436,178
Change in Accounting Principle	160,171	-	-	160,171
Fund Balances, Beginning (Restated)	690,470	900,000	5,879	1,596,349
Fund Balances, Ending	\$ 750,708	\$ 1,007,500	\$ 5,879	\$ 1,764,087

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Non-Major Special Revenue Funds Descriptions
For the Year Ended June 30, 2021**

NON-MAJOR SPECIAL REVENUE FUNDS

Child Nutrition - The basic goals of the Child Nutrition Programs are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influence to homes of school children, and to provide learning experiences that will improve the children's food habits with the ultimate goal of becoming physically fit adults.

Special Education - These grants are to assist in providing free appropriate public education to all children with disabilities.

Title II - This program was designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

JAG - This is a division of the TANF grant which delivers services to at-risk and disadvantaged youth to aid them in pursuing a post secondary education and ensure participants an opportunity to enter the workforce in a quality job.

Teacher Incentive - This program was designed to develop, implement, improve, or expand human capital management systems or performance-based compensation systems for teachers, principal, or other school leaders in schools (and especially those in high-need schools).

Striving Readers - The purpose of this grant is to advance the pre-literacy skills, reading and writing skills of disadvantaged youth birth through grade 12, including English learners and students with disabilities.

Vocational Education - This program was designed to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

Student Support - This program was designed to improve school conditions for student learning and improve the use of technology in order to improve the academic achievement and digital literacy for all students.

Rural Education - This grant is to assist rural school districts that serve concentrations of children from low- income families to improve the quality of instruction and student achievement.

ESSER Strong Start, GEER, ESSER Incentive, and ESSER III - These funds account for federal grants received to reimburse the School Board for costs related to the Covid-19 pandemic.

Student Activity - This fund accounts for the School Board's student activity funds at each its schools. Previously, this fund was accounted for as a fiduciary fund. GASB Statement No. 84 *Fiduciary Activities* requires it be included in governmental-wide activities.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Non-Major Special Revenue Funds
Combining Balance Sheet
June 30, 2021**

	Child Nutrition	Special Education	Title II	JAG	Teacher Incentive	Striving Readers	Vocational Education
Assets							
Cash and Cash Equivalents	\$ 462,075	\$ -	\$ -	\$ -	\$ -	\$ 428	\$ -
Receivables	212,433	56,388	68,186	40,508	11,129	29,848	-
Inventory	10,981	-	-	-	-	-	-
Total Assets	\$ 685,489	\$ 56,388	\$ 68,186	\$ 40,508	\$ 11,129	\$ 30,276	\$ -
Liabilities and Fund Balances							
Liabilities							
Accounts Payable	22,000	7,036	-	-	-	428	-
Interfund Payables	61,777	49,352	68,186	40,508	11,129	29,848	-
Total Liabilities	83,777	56,388	68,186	40,508	11,129	30,276	-
Fund Balances							
Nonspendable	10,981	-	-	-	-	-	-
Restricted	590,731	-	-	-	-	-	-
Total Fund Balances	601,712	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 685,489	\$ 56,388	\$ 68,186	\$ 40,508	\$ 11,129	\$ 30,276	\$ -

Exhibit 5

Student Support	Rural Education	ESSER Strong Start	GEER	ESSER Incentive	ESSER III	Student Activity	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,996	\$ 611,499
21,310	14,146	11,972	85,305	54,763	312,217	-	918,205
-	-	-	-	-	-	-	10,981
\$ 21,310	\$ 14,146	\$ 11,972	\$ 85,305	\$ 54,763	\$ 312,217	\$ 148,996	\$ 1,540,685
7,588	310	-	-	7,500	-	-	\$ 44,862
13,722	13,836	11,972	85,305	47,263	312,217	-	745,115
21,310	14,146	11,972	85,305	54,763	312,217	-	789,977
-	-	-	-	-	-	-	10,981
-	-	-	-	-	-	148,996	739,727
-	-	-	-	-	-	148,996	750,708
\$ 21,310	\$ 14,146	\$ 11,972	\$ 85,305	\$ 54,763	\$ 312,217	\$ 148,996	\$ 1,540,685

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
For the Year Ended June 30, 2021**

	Child Nutrition	Special Education	Title II	JAG	Teacher Incentive	Striving Readers	Vocational Education
Revenues							
Local Sources:							
Interest Earnings	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food Services	79	-	-	-	-	-	-
Other	50,000	-	-	-	-	-	-
Total Local Sources	50,085	-	-	-	-	-	-
State Sources:							
Equalization	9,435	-	-	-	-	-	-
Other	-	-	-	81,015	-	-	-
Total State Sources	9,435	-	-	81,015	-	-	-
Federal Sources	1,190,485	340,641	93,892	-	157,643	84,619	15,211
Total Revenues	1,250,015	340,641	93,892	81,015	157,643	84,619	15,211
Expenditures							
Current:							
Instruction:							
Regular Programs	-	-	-	81,015	-	16,809	-
Special Programs	-	266,516	90,049	-	46,851	-	-
Other Instructional Programs	-	-	-	-	104,688	62,250	15,211
Support Services:							
Student Services	1,997	7,262	-	-	-	-	-
Instructional Staff Support	-	44,754	-	-	-	5,560	-
General Administration	-	22,109	3,843	-	6,104	-	-
School Administration	-	-	-	-	-	-	-
Business Services	-	-	-	-	-	-	-
Plant Services	6,321	-	-	-	-	-	-
Student Transportation Services	-	-	-	-	-	-	-
Food Services	1,170,284	-	-	-	-	-	-
Total Expenditures	1,178,602	340,641	93,892	81,015	157,643	84,619	15,211
Net Change in Fund Balances	71,413	-	-	-	-	-	-
Fund Balances, Beginning	530,299	-	-	-	-	-	-
Change in Accounting Principle	-	-	-	-	-	-	-
Fund Balances, Beginning (Restated)	530,299	-	-	-	-	-	-
Fund Balances, Ending	\$ 601,712	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Exhibit 6

Student Support	Rural Education	ESSER Strong Start	GEER	ESSER Incentive	ESSER III	Student Activity	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6
-	-	-	-	-	-	-	79
-	-	-	-	-	-	69,011	119,011
-	-	-	-	-	-	69,011	119,096
-	-	-	-	-	-	-	9,435
514	-	-	-	-	-	-	31,529
514	-	-	-	-	-	-	90,964
79,019	19,107	681,034	248,987	54,763	312,217	-	3,277,628
79,533	19,107	681,034	248,987	54,763	312,217	69,011	3,487,688
-	310	465,649	80,507	-	76,685	-	720,975
-	-	-	-	-	21,128	-	424,544
72,988	18,797	35,287	55,250	44,650	31,421	80,186	520,728
-	-	-	-	-	13,374	-	22,633
-	-	-	-	-	9,175	-	59,489
6,545	-	146,252	49,770	10,113	66,492	-	311,228
-	-	-	-	-	16,090	-	16,090
-	-	-	-	-	9,198	-	9,198
-	-	33,846	63,460	-	32,914	-	136,541
-	-	-	-	-	14,035	-	14,035
-	-	-	-	-	21,705	-	1,191,989
79,533	19,107	681,034	248,987	54,763	312,217	80,186	3,427,450
-	-	-	-	-	-	(11,175)	60,238
-	-	-	-	-	-	-	530,299
-	-	-	-	-	-	160,171	160,171
-	-	-	-	-	-	160,171	690,470
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,996	\$ 750,708

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**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Compensation Paid to Board Members
For the Year Ended June 30, 2021**

Exhibit 7

The Schedule of Compensation Paid School Board Members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$650 per month and the president receives an additional \$50 per month for performing the duties of his/her office. Members received an additional \$50 for extra meetings held during the year.

Board Member	District	Amount
Jacqueline Folks, President	4	\$ 8,850
Gene Edmondson, Vice President	5	7,950
Shirley Fairchild	1	7,850
Wanda Jackson	3	7,950
John Shoemaker	2	<u>7,950</u>
Total		<u><u>\$ 40,550</u></u>

See independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
 LAKE PROVIDENCE, LOUISIANA
 Schedule of Compensation, Benefits, and Other Payments
 to Agency Head
 For the Year Ended June 30, 2021**

Exhibit 8

Agency Head
 Meagan Brown, Superintendent

Purpose	Amount
Salary	\$101,350
Benefits - Insurance	\$6,677
Benefits - Retirement	\$27,387
Benefits - Other (Annual Leave and Medicare)	\$1,470
Car Allowance	\$4,800
Vehicle Provided by Government	\$0
Cell Phone	\$1,105
Reimbursements	\$0
Travel	\$1,338
Registration Fees	\$250
Conference Travel	\$477
Continuing Professional Education Fees	\$0
Dues	\$250
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.

**OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING
STANDARDS* AND BY OFFICE OF MANAGEMENT AND
BUDGET UNIFORM GUIDANCE**

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

Independent Auditor's Report

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of East Carroll Parish School Board (the School Board) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 9, 2021.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 may exist that have not been identified.

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 result 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA
December 9, 2021

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

Report on Compliance for Each Major Federal Program

We have audited East Carroll Parish School Board's (the School Board) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2021. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance with is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to these matters.

The School Board's response to the noncompliance finding identified in our audit as described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA
December 9, 2021

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education:			
<u>Child Nutrition Cluster:</u>			
Cash Awards:			
National School Lunch Program	10.555	None	\$ 975,938
Summer Food Service Program for Children	10.559	None	113,905
Non-Cash Assistance (Commodities)			
National School Lunch Program	10.555	None	43,719
Total Child Nutrition Cluster			<u>1,133,562</u>
Child and Adult Care Food Program	10.558	None	32,132
Fresh Fruit and Vegetable Program	10.582	None	<u>24,801</u>
Total U.S. Department of Agriculture			<u><u>1,190,495</u></u>
<u>U.S. Department of Education</u>			
Passed through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	84.010A	28-21-T1-18	1,639,511
Career and Technical Education - Basic Grants	84.048	28-21-02-18	15,311
Title II - Supporting Effective Instruction State Grant	84.367A	28-21-50-18	93,892
Title IV - Student Support and Academic Enrichment	84.424	28-21-71-18	79,019
Rural Education	84.358B	28-21-RE-18	19,107
Striving Readers Comprehensive Literacy	84.371C	28-21-SR04-18	84,619
Teacher and School Leader Incentive Program	84.374A	28-21-TP-18	157,644
<u>Special Education Cluster:</u>			
Grants to States (Part B)	84.027A	28-21-B1-18	302,402
Preschool Grants	84.173A	28-21-P1-18	11,539
Total Special Education Cluster			<u>313,941</u>
Special Education - State Personnel Development	84.323A	None	26,699
Covid 19: Governors Emergency Education Relief Fund	84.425C	28-21-GEERF-18	248,987
Covid 19: Elementary and Secondary School Emergency Relief	84.425D	28-21-Covid-18	<u>1,048,014</u>
Total U.S. Department of Education			<u><u>3,726,744</u></u>
Total Expenditures of Federal Awards			<u><u>\$ 4,917,239</u></u>

See notes to schedule of expenditures of federal awards.

EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the East Carroll Parish School Board (the School Board) under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position or change in net assets of the School Board.

Note 2. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the notes to the basic financial statements of the School Board's Annual Financial Report. Such expenditures are recognized following, as applicable, the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Relationship to Basic Financial Statements

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

	Federal Sources
Non-Major Funds	
Child Nutrition	1,190,495
Special Education	340,641
Title I	1,639,611
Title II	93,892
Teacher Incentive	157,643
Striving Readers	84,619
Vocational Education	15,211
Student Support	79,019
Rural Education Achievement	19,107
ESSER Strong Start	681,034
GEER	248,987
ESSER Incentive	54,763
ESSER III	312,217
Total	\$ 4,917,239

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards (Continued)**

Note 4. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

Note 5. Matching Revenues

The dollar threshold of \$750,000 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 6. Non-Cash Programs

The commodities received, which are non-cash revenues, are valued using prices provided by the United States Department of Agriculture.

Note 7. Indirect Cost Rate

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2021**

Part II. FINDINGS - FINANCIAL STATEMENT AUDIT

None.

**Part III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

2021-001 Earmarking - Coordinated Early Intervening Services

This finding relates to the Special Education Grants to States CFDA #84.027A for the Federal Award Year 2021, received from Federal Agency: U.S. Department of Education, passed through Louisiana Department of Education.

Criteria or specific requirement: IDEA Sec. 300.646 (d) states that a local education agency must document that 15 percent of its IDEA Part B Funds were reserved and used to provide comprehensive early intervening services to address factors contributing to significant disproportionality.

Condition found: Louisiana Department of Education identified East Carroll Parish as significantly disproportionate in the identification of intellectual disabilities of Black or African American with a risk ratio of 4. A plan was submitted by the School Board to address the factors contributing to the significantly disproportionality. Fifteen percent of IDEA Part B Funds were budgeted for the plan (\$39,292), but only \$6,901 was spent.

Context: This finding is an unresolved finding from prior year.

Possible asserted effect (cause and effect):

Cause: The School Board did not follow its plan and the minimum amount was not spent on coordinated early intervening services.

Effect: The plan to address the factors contributing to the significantly disproportionality was not fully implemented.

Recommendations to prevent future occurrences: The School Board should put policies and procedures in place to monitor the plan and spending for coordinated early intervening services.

Origination date and prior year reference (if applicable): This finding originated fiscal year ended June 30, 2019 and had a prior year reference of 2020-003.

View of responsible official: The School Board will spend the allocated funding for disproportionality as directed through the budget for 2021-2022. Monitoring of the funds will be done the Special Education Supervisor. The funds will be spent on after school tutoring and summer school.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Summary Schedule of Prior Year Audit Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2021**

2020-001 Internal Controls over Financial Reporting

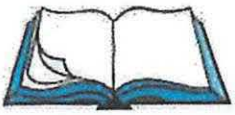
This finding has been resolved

2020-002 Internal controls over Allowable Costs and Costs Principles

This finding has been resolved

2020-003 Earmarking – Coordinated Early Intervening Services

This finding has not been resolved. See finding 2021-001.



EAST CARROLL PARISH SCHOOL BOARD

P.O. Box 792
514 Third Street
Lake Providence, LA 71254-0792

Office of Superintendent
Meagan Brown

Jacqueline Folks
President
District 4

December 17, 2021

Gene Edmondson
Vice President
District 5

LaPorte CPAs
8555 United Plaza Blvd Ste 400
Baton Rouge, LA 70809

Shirley Fairchild
District 1

Dear Mr. Murray,

John Shoemaker
District 2

In response to corrective action plan for finding 2021-001, we offer the following:

Wanda Jackson
District 3

East Carroll Parish will spend the allocated funding for disproportionality as directed through the budget for 2021-2022. Monitoring of the funds will be done by Special Education Supervisor. The funds will be spent on after school tutoring and summer school.

If further information is needed, please let me know.

Sincerely,

Theresa Thomas, CLSBA, Business Manager
East Carroll Parish School District

"An Equal Opportunity Employer"

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Part I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1.	Type of auditor's report	Unmodified
2.	Internal control over financial reporting	
	a. Material weaknesses identified?	None Reported
	b. Significant deficiencies identified not considered to be material weaknesses?	None Reported
	c. Noncompliance material to the financial statements noted?	None Reported

Federal Awards

3.	Internal control over major programs	
	a. Material weaknesses identified?	No
	b. Significant deficiencies identified not considered to be material weaknesses?	None Reported
4.	Type of auditor's report issued on compliance for each major program	Unmodified
5.	Audit findings disclosed that are required in accordance with Section 2 CFR 200.516(a)	Yes
6.	Identification of major programs	

CFDA Number

	a. Child Nutrition Cluster	10.555
	b. Governors Emergency Education Relief Fund	84.425C
	c. Elementary and Secondary School Emergency Relief	84.425D
7.	Dollar threshold used to distinguish between Type A and B programs	\$750,000
8.	Auditee qualified as a low-risk auditee under 2 CFR 200.520	No