



**RICHLAND PARISH SCHOOL BOARD
RAYVILLE, LOUISIANA**

Financial Report

As of and for the Year Ended June 30, 2022



Richland Parish School Board
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June 30, 2022

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REPORT





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Independent Auditor's Report

Board Members
Richland Parish School Board
Rayville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Richland Parish School Board (the "School Board") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Richland Parish School Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Richland Parish School Board, as of June 30, 2022, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and

Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net OPEB liability and related ratios, schedule of employer's proportionate share of net pension liability, schedule of employer's contributions, and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedules of general fund instructional and support expenditures and certain local revenue sources and class size characteristics, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2024, on our consideration of the Richland Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Richland Parish School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Richland Parish School Board's internal control over financial reporting and compliance.



CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 18, 2024



MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)



Richland Parish School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2022

We offer readers of the Richland Parish School Board's (the "School Board") financial statements this narrative overview and analysis of the financial activities of the Richland Parish School Board for the fiscal year ended June 30, 2022. It is designed to assist the reader in focusing on significant financial issues and identifying changes in the School Board's financial position.

Financial Highlights

Government-wide financial highlights for the 2021-22 fiscal year include the following:

- Statement of Net Position – The liabilities of the School Board exceeded its assets at the close of the most recent fiscal year by \$25.2 million (net deficit).
- Capital Assets – Total capital assets (net of depreciation) were \$33.4 million or 37.6% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Obligations – The School Board's total obligations decreased by approximately \$20.1 million.
- Statement of Activities – The total net deficit of the Richland Parish School Board decreased by approximately \$17.3 million for the year ended June 30, 2022.

The School Board ended the 2021-2022 fiscal year with a fund balance in the General Fund of approximately \$15.2 million.

- Governmental Funds Balance Sheet – As of the close of the 2021-2022 fiscal year, the Richland Parish School Board's governmental funds reported combined ending fund balance of \$50.5 million, an increase of approximately \$18.4 million in comparison with the prior fiscal year. This fund balance is comprised of approximately (1) \$15.2 million in General Fund, (2) \$3.7 million in the debt service funds, and (3) \$31.6 million in the remaining special revenue and capital projects funds.
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – Total revenues for the year ended June 30, 2022 for the governmental funds of the Richland Parish School Board amounted to \$47.4 million. Approximately 96.6% of this amount is received from four major revenue sources: (1) \$16.3 million from Minimum Foundation Program, (2) \$8.6 million from local ad valorem taxes, (3) \$7.9 million from local sales and use taxes, and (4) \$12.6 million from federal grant awards.

Richland Parish School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2022

Overview of the Financial Statements

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

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

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

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

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

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

Richland Parish School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2022

Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Richland Parish School Board maintains seventeen governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, ESSER Cares Act, Construction District #1 Delhi, and Construction District #3 Rayville, all of which are considered to be major funds. Data for the other sixteen governmental fund groups are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

Financial Analysis of Government-wide Activities

The largest portion of the Richland Parish School Board's total assets, totaling approximately \$33.4 million, which is net of accumulated depreciation of \$49.9 million, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. Debt outstanding related to the investment in capital assets is approximately \$40.2 million. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Richland Parish School Board's investment in its capital assets net position is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Richland Parish School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2022

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

<i>June 30,</i>	2022	2021	Dollar Change	Percentage Change
Current and other assets	\$ 55,364,256	\$ 37,313,845	\$ 18,050,411	48.4
Capital assets, net	33,430,515	30,630,001	2,800,514	9.1
Total assets	88,794,771	67,943,846	20,850,925	30.7
Deferred outflows of resources	9,904,192	12,767,346	(2,863,154)	(22.4)
Current and other liabilities	5,210,201	5,513,553	(303,352)	(5.5)
Long-term liabilities	92,637,050	112,703,791	(20,066,741)	(17.8)
Total liabilities	97,847,251	118,217,344	(20,370,093)	(17.2)
Deferred inflows of resources	26,073,184	4,982,684	21,090,500	423.3
Net position				
Net invested in capital assets	4,361,163	13,874,274	(9,513,111)	(68.6)
Restricted	37,460,429	9,298,031	28,162,398	302.9
Unrestricted	(67,043,064)	(65,661,141)	(1,381,923)	(2.1)
Total net position (deficit)	\$ (25,221,472)	\$ (42,488,836)	\$ 17,267,364	40.6

Restricted net position of \$37.4 million is reported separately to show the legal constraints for the payment of outstanding long-term debt obligations and future construction projects and to limit the School Board from using these funds for day-to-day operations. Debt Service Funds account for \$3.7 million of the total, \$1.7 million is restricted for salaries and benefits, \$838 thousand is restricted for instructional and maintenance costs and capital projects accounts for \$28.3 million. The remaining balance is monies restricted for food service and student activities.

Richland Parish School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2022

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

<i>For the years ended June 30,</i>	2022	2021	Dollar Change	Percentage Change
Revenues				
Program revenues				
Charges for services	\$ 20,225	\$ 36,322	\$ (16,097)	(44.3)
Operating and capital grants and contributions	13,045,077	10,508,822	2,536,255	24.1
General revenues				
Ad valorem taxes	8,555,885	7,242,664	1,313,221	18.1
Sales taxes	7,909,905	7,284,278	625,627	8.6
Minimum foundation program	16,457,221	15,884,826	572,395	3.6
Interest and earnings (loss) on investments	(61,376)	-	(61,376)	-
Other general revenues	1,664,088	2,155,085	(490,997)	(22.8)
Total revenues	47,591,025	43,111,997	4,479,028	10.4
Expenses				
Instruction	12,742,905	18,675,563	(5,932,658)	(31.8)
Support services				
Student services	1,258,580	1,704,783	(446,203)	(26.2)
Instructional staff support	1,818,288	1,933,813	(115,525)	(6.0)
General administration	1,758,501	1,128,697	629,804	55.8
School administration	1,998,679	2,466,427	(467,748)	(19.0)
Business services	615,382	622,770	(7,388)	(1.2)
Plant services	3,388,658	3,261,194	127,464	3.9
Student transportation services	2,787,647	3,325,578	(537,931)	(16.2)
Central services	320,200	613,475	(293,275)	(47.8)
Community service programs	9,745	9,745	-	-
School food services	2,868,872	2,868,575	297	0.0
Debt service - interest on long-term obligations	756,204	569,928	186,276	32.7
Total expenses	30,323,661	37,180,548	(6,856,887)	(18.4)
Increase (Decrease) in net position (deficit)	\$ 17,267,364	\$ 5,931,449	\$ 11,335,915	(191.1)

Governmental Activities

Expenses are classified by functions/programs. Instructional services for fiscal year 2022 totaled \$12,742,905, compared to a total of \$18,675,563 for 2021. The remaining functions are considered support services and relate to those functions that support the instructional services provided, such as pupil support, instructional staff support, administration, transportation, and plant services. Support services for fiscal 2022 totaled \$13,955,680 compared to \$15,056,737 for 2021.

Richland Parish School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2022

The remaining expenditures of \$3,625,076 consist of \$2,868,872 for food and service operations and \$756,204 for interest expense on long-term obligations.

The related program revenues for fiscal year 2022 directly related to these expenses were operating and capital grants and contributions in the amount of \$13,045,077 and \$20,225 in charges for such services. The balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- **Minimum Foundation Program (MFP)** – MFP is the funding formula for the 69 school districts in the state of Louisiana. The School Board was allocated \$16,457,221 in MFP funds in FY2022, which is 34.5% of the total revenues received by the School Board.
- **Ad Valorem tax revenues** – Ad valorem, or property tax revenues, the second largest source of revenues, accounts for \$8,555,885 in revenue, or 17.9% of total revenues.
- **Sales Tax revenues** – Sales tax revenues are the third largest source of revenue for the School Board, generating \$7,909,905 in revenue, or 16.6% of total revenue.

Financial Analysis of Governmental Funds

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

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

- As of the close of the current fiscal year, the Richland Parish School Board's governmental funds reported a combined ending fund balance of \$50,469,395; an increase of \$18,351,799.
- The General Fund is the chief operating fund of the Richland Parish School Board. At the end of the current fiscal year, the fund balance of the General Fund is \$15,192,942.

**Richland Parish School Board
Management’s Discussion and Analysis (Unaudited)
June 30, 2022**

- The Special Revenue Funds, including nonmajor special revenue funds, have a total fund balance of \$3,150,599 of which \$119,839 is nonspendable, \$10,919 is restricted for salaries and related benefits, \$287,130 is restricted for instructional costs, \$2,234,009 is restricted for food services, and \$498,702 is restricted for student activity funds.
- The Debt Service Funds have a total fund balance of \$3,751,245 all of which is restricted for the payment of debt service.
- The two Capital Projects Funds have a fund balance totaling \$2,408,019 all of which is restricted for construction projects.

General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq), the Richland Parish School Board must adopt a budget for the General Fund and all Special Revenue funds prior to September 15th. The original budget for the School Board was adopted on September 14, 2021.

The original General Fund Budget projected an ending fund balance of \$14.6 million, with the amended budget projecting to end the year with a positive balance of \$14.9 million. The actual ending balance for the General Fund came in at \$15.2 million.

Capital Assets and Debt Administration

Capital Assets: The Richland Parish School Board’s investment in capital assets as of June 30, 2022, amounts to \$33,430,515 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

<i>June 30,</i>	2022	2021
Land	\$ 102,200	\$ 102,200
Buildings and improvements	27,710,594	28,826,439
Furniture and equipment	2,081,145	1,516,162
Construction in progress	3,536,576	185,200
Total capital assets, net of depreciation	\$ 33,430,515	\$ 30,630,001

Richland Parish School Board
Management’s Discussion and Analysis (Unaudited)
June 30, 2022

Long-Term Debt: At the end of the current fiscal year, the Richland Parish School Board had total debt outstanding of \$40.2 million. Of the amount, \$35.1 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2022 and 2021.

<i>June 30,</i>	2022	2021
General Obligation Bonds		
District 4, Series 2016	\$ 9,525,000	\$ 10,025,000
District 1, Series 2021	12,000,000	12,000,000
District 2, Series 2021	1,675,000	-
District 3, Series 2021	11,935,000	-
Direct Borrowing and Private Placement Bonds		
District 1 Refunding, Series 2013	1,715,000	2,255,000
District 3, Series 2020 Refunding	3,355,000	3,685,000
Total outstanding debt	\$ 40,205,000	\$ 27,965,000

Future Operations

The consolidated budget for the 2022-23 year includes a 4% increase in projected revenues and a corresponding 4% increase in projected expenditures. The increase in budgeted revenues and expenditures is primarily due to increasing sales tax collections and indirect cost reimbursements from federal awards. Projections show that more than 80% of the School Board’s General Fund budget for the 2022-23 year is consumed by salaries and related benefits. Overall, the School Board has budgeted an excess of revenues over expenditures of \$2.2 million for the 2022-23 fiscal year, which is attributed directly to the continued diligence of the School Board to maintain a fiscally sound budget.

Contacting the School Board’s Financial Management

If you have questions about this report or need additional financial information, contact Bill Martin of the Richland Parish School Board, P.O. Box 599, Rayville, LA 71269-0599, or call at (318) 728-5964.



BASIC FINANCIAL STATEMENTS



Richland Parish School Board Statement of Net Position

<i>June 30, 2022</i>	Governmental Activities
Assets	
Cash and cash equivalents	\$ 38,268,231
Investments	13,253,065
Receivables	
Sales and use taxes	702,261
Federal grants	2,547,862
State grants	70,838
Other	402,160
Inventory	119,839
Capital assets, net	33,430,515
Total assets	88,794,771
Deferred outflows of resources	
Deferred outflows related to pension	7,178,885
Deferred outflows related to OPEB	2,661,472
Deferred outflows related to bonds	63,835
Total deferred outflows of resources	9,904,192
Liabilities	
Accounts payable	949,655
Salaries and wages payable	3,859,110
Interest payable - bonds	315,340
Unearned revenue	86,096
Long-term liabilities	
Due within one year	
Compensated absences	642,216
Finance purchases	135,795
Workers compensation	94,297
Bonds payable	2,570,000
Due in more than one year	
Compensated absences	235,654
Finance purchases	140,614
Workers compensation	69,663
Other post employment benefits	27,430,193
Net pension liability	18,662,000
Bonds payable	37,635,000
Unamortized bond premium	5,021,618
Total liabilities	97,847,251
Deferred inflows of resources	
Deferred inflows related to pension	12,861,843
Deferred inflows related to OPEB	13,211,341
Total deferred inflows of resources	26,073,184
Net position	
Net investment in capital assets	4,361,163
Restricted for	
Salaries and related benefits	1,763,670
Instructional costs	287,130
Instructional and maintenance costs	551,064
Food services	2,234,009
Debt service	3,751,245
Capital projects	28,374,609
Student activity	498,702
Unrestricted	(67,043,064)
Total net position (deficit)	\$ (25,221,472)

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

Richland Parish School Board
Statement of Activities

<i>For the year ended June 30, 2022</i>				Program Revenues	Net (Expense) Revenues and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	
Primary Government					
Governmental Activities					
Instructional services					
Regular programs	\$ 7,482,201	\$ -	\$ 891,589	\$ (6,590,612)	
Special education programs	1,934,073	-	491,884	(1,442,189)	
Vocational programs	663,107	-	194,542	(468,565)	
Other instructional programs	1,131,939	-	-	(1,131,939)	
Special programs	1,531,586	-	3,967,822	2,436,236	
Support services					
Pupil support services	1,258,580	-	380,721	(877,859)	
Instructional staff support	1,818,288	-	2,108,986	290,698	
General administration	1,758,501	-	783,173	(975,328)	
School administration	1,998,679	-	58,606	(1,940,073)	
Business services	615,382	-	140,931	(474,451)	
Plant services	3,388,658	-	94,465	(3,294,193)	
Student transportation services	2,787,647	-	584,752	(2,202,895)	
Central services	320,200	-	-	(320,200)	
Community service programs	9,745	-	-	(9,745)	
Noninstructional services					
Food service operations	2,868,872	20,225	3,347,606	498,959	
Interest on long-term obligations	756,204	-	-	(756,204)	
Total Primary Government	\$ 30,323,661	\$ 20,225	\$ 13,045,077	(17,258,359)	
General revenues					
Taxes					
Ad valorem taxes levied for					
General purposes				4,594,301	
Debt service purposes				3,961,584	
Sales taxes levied for					
General purposes				7,909,905	
Grants and contributions not restricted to specific programs					
Minimum foundation program				16,457,221	
State revenue sharing				182,791	
Other grants				30,703	
Interest and investment earnings (loss)				(61,376)	
Miscellaneous				1,450,594	
Total general revenues				34,525,723	
Changes in net position				17,267,364	
Net position (deficit), beginning of year				(42,488,836)	
Net position (deficit), end of year				\$ (25,221,472)	

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

Richland Parish School Board Balance Sheet - Governmental Funds

<i>June 30, 2022</i>	General Fund	ESSER Cares Act	Construction District #1 Delhi	Construction District #3 Rayville	Non-Major Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 14,227,239	\$ -	\$ 582,815	\$ 14,068,915	\$ 9,389,262	\$ 38,268,231
Investments	1,376,025	-	11,877,040	-	-	13,253,065
Accounts receivable	971,421	1,365,416	-	-	1,386,284	3,723,121
Due from other funds	2,819,044	-	-	-	66,009	2,885,053
Inventory	-	-	-	-	119,839	119,839
Total assets	\$ 19,393,729	\$ 1,365,416	\$ 12,459,855	14,068,915	\$ 10,961,394	\$ 58,249,309
Liabilities and fund balances						
Liabilities						
Accounts payable	\$ 284,079	\$ -	\$ 468,751	\$ -	\$ 196,825	\$ 949,655
Salaries and wages payable	2,848,540	389,848	1,214	229	619,279	3,859,110
Due to other funds	1,068,168	975,568	1,586	90,400	749,331	2,885,053
Deferred revenue and other liabilities	-	-	-	-	86,096	86,096
Total liabilities	4,200,787	1,365,416	471,551	90,629	1,651,531	7,779,914
Fund balances						
Nonspendable						
Inventory and other assets	-	-	-	-	119,839	119,839
Restricted for						
Salaries and related benefits	1,752,751	-	-	-	10,919	1,763,670
Instructional costs	-	-	-	-	287,130	287,130
Instructional and maintenance costs	551,064	-	-	-	-	551,064
Food services	-	-	-	-	2,234,009	2,234,009
Debt service	-	-	-	-	3,751,245	3,751,245
Capital projects	-	-	11,988,304	13,978,286	2,408,019	28,374,609
Student activity funds	-	-	-	-	498,702	498,702
Unassigned	12,889,127	-	-	-	-	12,889,127
Total fund balances	15,192,942	-	11,988,304	13,978,286	9,309,863	50,469,395
Total liabilities and fund balances	\$ 19,393,729	\$ 1,365,416	\$ 12,459,855	\$ 14,068,915	\$ 10,961,394	\$ 58,249,309

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

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

Total fund balances - governmental funds	\$	50,469,395
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	83,404,680	
Less accumulated depreciation	<u>(49,974,165)</u>	33,430,515
Deferred outflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		7,178,885
Deferred inflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		(12,861,843)
Deferred outflows of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		2,661,472
Deferred inflows of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		(13,211,341)
Deferred outflows of resources related to payments to escrow agents to refund bonded debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		63,835
Long-term liabilities, including OPEB liability, net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences payable	(877,870)	
General obligation bonds payable	(40,205,000)	
Interest payable	(315,340)	
Worker's compensation payable	(163,960)	
Other post employment benefits	(27,430,193)	
Net pension obligations	(18,662,000)	
Bond premium	(5,021,618)	
Finance purchases	<u>(276,409)</u>	<u>(92,952,390)</u>
Net position of governmental activities	\$	<u>(25,221,472)</u>

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

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

For the year ended June 30, 2022	General Fund	ESSER Cares Act	Construction District #1 Delhi	Construction District #3 Rayville	Non Major Funds	Total Governmental Funds
Revenues						
Local sources						
Ad valorem taxes	\$ 4,594,301	\$ -	\$ -	\$ -	\$ 3,961,584	\$ 8,555,885
Sales and use taxes	7,909,905	-	-	-	-	7,909,905
Earnings (loss) on investments	39,996	-	(117,800)	5,230	11,198	(61,376)
Cash payments for meals	-	-	-	-	20,225	20,225
Other local revenue	375,498	-	-	-	909,971	1,285,469
State sources						
State equalization	16,283,197	-	-	-	-	16,283,197
Revenue sharing	182,791	-	-	-	454,873	637,664
Other unrestricted revenue	-	-	-	-	85,915	85,915
Other restricted revenue	30,703	4,878,226	-	-	-	4,908,929
Federal sources						
Federal restricted grants-in-aid	51,004	-	-	-	7,745,083	7,796,087
Total revenues	29,467,395	4,878,226	(117,800)	5,230	13,188,849	47,421,900
Expenditures						
Current						
Instructional services						
Regular programs	10,551,220	444,461	-	-	657,437	11,653,118
Special education programs	2,261,895	69,275	-	-	341,362	2,672,532
Vocational programs	506,986	-	-	-	334,954	841,940
Other instructional programs	611,841	-	-	-	729,970	1,341,811
Special programs	219,322	225,585	-	-	1,269,052	1,713,959
Support services						
Pupil support services	1,560,511	1,372	-	-	379,349	1,941,232
Instructional staff support	320,903	410,507	-	-	1,559,903	2,291,313
General administration	778,614	783,173	-	-	133,349	1,695,136
School administration	2,527,822	-	-	-	404,577	2,932,399
Business services	608,426	-	6,155	51	140,931	755,563
Plant services	3,135,344	92,957	4,810	733	472,257	3,706,101
Student transportation services	2,475,197	584,752	-	-	10,427	3,070,376
Central services	500,376	-	-	-	-	500,376
Noninstructional services						
Food service operations	173,414	-	-	-	2,931,855	3,105,269
Debt service						
Principal	-	-	-	-	1,835,000	1,835,000
Interest	-	-	-	-	1,146,339	1,146,339
Capital outlay	-	1,763,328	1,879,898	133,349	219,414	3,995,989
Total expenditures	26,231,871	4,375,410	1,890,863	134,133	12,566,176	45,198,453
Excess (deficiency) of revenues over expenditures	3,235,524	502,816	(2,008,663)	(128,903)	622,673	2,223,447
Other Financing Sources (Uses)						
Proceeds from sale of assets	38,352	-	-	-	-	38,352
Transfers in	6,705,393	-	-	-	1,227,069	7,932,462
Proceeds from bond issuance	-	-	-	14,190,000	1,900,000	16,090,000
Transfers out	(7,057,357)	(502,816)	-	-	(372,289)	(7,932,462)
Net other financing sources (uses)	(313,612)	(502,816)	-	14,190,000	2,754,780	16,128,352
Net change in fund balances	2,921,912	-	(2,008,663)	14,061,097	3,377,453	18,351,799
Fund balances, beginning of year	12,271,030	-	13,996,967	(82,811)	5,932,410	32,117,596
Fund balances, end of year	\$ 15,192,942	\$ -	\$ 11,988,304	\$ 13,978,286	\$ 9,309,863	\$ 50,469,395

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

Richland Parish School Board

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

For the Year Ended June 30, 2022

Net change in fund balance - total governmental funds	\$	18,351,799
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation in the current period.</p>		
Capital outlay		4,573,219
Depreciation expense		(1,787,437)
<p>Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
		2,081,219
<p>Proceeds from bond issuance is a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.</p>		
		(14,075,000)
<p>Additions to premiums</p>		
		(2,371,080)
<p>Amortization of bond premium is an expenditure on the statement of activities</p>		
		417,149
<p>Accrued interest does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		1,964
<p>Change in deferred inflows of resources - pension plans</p>		
		(10,413,253)
<p>Change in deferred outflows of resources - pension plans</p>		
		(2,906,089)
<p>Change in deferred inflows of resources - other post employment benefits</p>		
		(10,677,247)
<p>Change in deferred outflows of resources - other post employment benefits</p>		
		50,300
<p>Change in deferred outflows of resources - bonds</p>		
		7,366
<p>Other postemployment benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		15,262,714
<p>Pension benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		18,467,084
<p>Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year.</p>		
		222,076
<p>Workers compensation obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		62,580
Change in net position of governmental activities		\$ 17,267,364

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

The School Board operates eleven schools within the parish with a total enrollment of approximately 2,700 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

Funds

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funds (Continued)

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

Governmental Funds

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

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

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

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

Construction District #3 Rayville - This fund accounts for the proceeds and expenditures of \$12,325,000 in general obligation bonds issued October 12, 2021.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities displays 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 Assets 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 and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (GWFS) (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. Indirect expenses (long-term debt interest) of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function.

Fund Financial Statements

Governmental Funds

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

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

Revenues

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

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

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

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

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

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30. Substantially all other expenditures are recognized when the related fund liability is incurred.

Other Financing Sources (Uses)

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

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Investments

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

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

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

Definitions

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

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

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.

Inventory and Prepaid Items

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when consumed; however, all inventory items are recorded as expenditures when purchased. Unused commodities at June 30 are reported as unearned revenues. All purchased inventory items are valued at cost using first in, first out (FIFO) method, and commodities are assigned values based on information provided by the U. S. Department of Agriculture.

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both government-wide and fund financial statements.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$5,000. Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives;

Capital asset classes	Lives
Buildings	10 - 40 years
Furniture and equipment	3 - 10 years
Vehicles	5 - 8 years
Intangibles - software	5 years

Interest during construction is not capitalized on capital assets.

Unearned Revenues

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

Compensated Absences

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

All School Board employees earn from twelve to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay.

Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

The School Board's recognition and measurement criteria for compensated absences follow:

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

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

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

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

Long-Term Liabilities

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

The School Board provides certain continuing medical, dental, vision and life insurance benefits for its retired employees. The OPEB Plan is a single employer defined benefit "substantive plan" as understood by past practices of the School Board.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems' fiduciary net position have been determined on the accrual basis, as they are reported by the retirement systems.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Liabilities (Continued)

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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 reported deferred outflows related to pensions due to differences between expected and actual experience, changes of assumptions, changes in proportion, and differences between employer contributions and proportionate share of contributions and employer contributions subsequent to the measurement date. See Note 9 for more information. Deferred outflows related to OPEB are due to changes in assumptions and other changes listed in Note 10. Deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board reported deferred inflows related to pensions due to differences between expected and actual experience, differences between projected and actual earnings on pension plan investments, and changes in proportion. See Note 9 for more information. Additionally, the School Board reported deferred inflows of resources for OPEB due to changes in assumptions. See Note 10 for more information.

Restricted Net Position

For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use is either:

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Net Position (Continued)

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Restricted net position reported in the Statement of Net Position as school account allocations, salaries and retiree benefits, debt service and natural disaster and insurance are restricted by enabling legislation.

Fund Equity of Fund Financial Statements

GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Nonspendable fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash, such as inventories and prepaid items.

Restricted fund balances represent resources that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balances indicate that it 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.

Assigned fund balances are those constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

Unassigned fund balance is the residual classification for the general fund.

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses

Sales and Use Taxes

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

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

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

Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Budgets

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

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

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets (Continued)

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level by fund; except for special revenue funds, which are controlled at the fund level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the Board.

Budgetary Basis of Accounting: All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level for the general fund and at the fund level for special revenue funds. Management can transfer amounts between line items within a function.

Use of Estimates

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

Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity mid 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.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, July 18, 2024. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Newly Adopted Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The School Board has evaluated these criteria and determined that the impact to the financial statements was less than material.

In January 2020, GASB Statement No. 92, *Omnibus 2020* was issued. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The School Board has evaluated these criteria and determined that the impact to the financial statements was less than material.

Recently Issued Accounting Pronouncements

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

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription assets – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

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

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

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

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

Deposits are stated at cost, which approximated fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in the holding or custodial bank that is mutually acceptable to both parties.

Obligations that may be pledged as collateral are obligations of the United States government and its agencies and obligations of the state and its subdivisions. As pledged securities are considered uncollateralized (Category 3), under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

Custodial credit risk - deposits. The School Board's cash and cash equivalents and investments consist of deposits with financial institutions. The School Board's policy does not address custodial risk; however, state statutes govern the School Board's investment policy. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, savings accounts or savings certificates of savings and loan associations, and repurchase agreements.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Differences between School Board’s book balances and the bank balances arise because of the net effect of deposits-in-transit and outstanding checks. The following is a schedule of the School Board’s cash and cash equivalents at June 30, 2022:

	School Board Book Balances	Bank Balances
Cash on deposit	\$ 29,459,668	\$ 33,378,240
Petty cash	-	-
Cash equivalents:		
LAMP investments	7,432,538	7,432,538
Certificates of deposits	1,376,025	1,376,025
Total cash and cash equivalents	\$ 38,268,231	\$ 42,186,803

The School Board’s deposits are collateralized as follows:

Federal Deposit Insurance Corporation Coverage	\$ 1,935,564
Pledged Securities	58,073,432
Total collateralized deposits	\$ 60,008,996

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

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

Interest rate risk - Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The School Board’s investment policy limits interest rate risk by requiring that an attempt be made to match investment maturities with known cash needs and anticipated cash flow requirements. In addition, investments of current operating funds are required to have maturities of no longer than twelve months. The School Board’s policy does not address interest rate risk.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates the local government investment pool. Collateral is required for demand deposits, certificates of deposit, savings certificates of savings and loan associations and repurchase agreements at 100% of all amounts not covered by deposit insurance.

The School Board's investments at June 30, 2022, consists of certificates of deposit with a carrying value of \$1,376,025. They are held by the School Board's agent in the School Board's name and are collateralized. Investments of cash of \$7,425,591 and \$4,451,449 in U.S. government fixed income securities are held in trust by the paying agent, Argent, for the repayment of the School Board's Series 2021 Construction Bonds.

NOTE 3: FAIR VALUE MEASUREMENTS

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

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

- Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School Board has the ability to access.
- Level 2 (L2): Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 3: FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the School Board's assets at fair value as of June 30, 2022:

	Fair Value	Maturities (in years)			Level
		Less than 1	1 - 5	More than 5	
Investments by fair value level					
Primary government					
Cash and cash equivalents (LAMP)	\$ 7,425,591	\$ 7,425,591	\$ -	\$ -	L1
Fixed income securities	4,451,449	1,189,113	3,129,705	132,631	L1
Total primary government	\$ 11,877,040	\$ 8,614,704	\$ 3,129,705	\$ 132,631	
Total investments measured by fair value level	\$ 11,877,040	\$ 8,614,704	\$ 3,129,705	\$ 132,631	
Investments measured at cost					
Primary government					
Certificates of deposit	1,376,025				
Total Investments measured at cost	1,376,025				
Total investments	\$ 13,253,065				

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022.

Fixed income securities – Fixed income securities classified in Level 1 of the fair value hierarchy are valued using quoted market prices for those securities.

NOTE 4: ACCOUNTS RECEIVABLE

Receivables consisted of the following at June 30, 2022:

	General	ESSER Cares Act	Nonmajor Governmental	Total
Taxes:				
Sales Tax	\$ 702,261	\$ -	\$ -	\$ 702,261
Intergovernmental - grants:				
Federal	-	1,365,416	1,182,446	2,547,862
State	70,838	-	-	70,838
Other	198,322	-	203,838	402,160
Total	\$ 971,421	\$ 1,365,416	\$ 1,386,284	\$ 3,723,121

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 5: CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended June 30, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 102,200	\$ -	\$ -	\$ 102,200
Construction in progress	185,200	3,674,691	323,315	3,536,576
Total capital assets, not being depreciated	287,400	3,674,691	323,315	3,638,776
Capital assets, being depreciated				
Buildings and improvements	71,410,635	390,006	58,615	71,742,026
Furniture and equipment	7,131,059	902,819	10,000	8,023,878
Total capital assets, being depreciated	78,541,694	1,292,825	68,615	79,765,904
Less accumulated depreciation for				
Building and improvements	42,584,196	1,447,236	-	44,031,432
Furniture and equipment	5,614,897	340,201	12,365	5,942,733
Total accumulated depreciation	48,199,093	1,787,437	12,365	49,974,165
Total capital assets being depreciated, net	30,342,601	(494,612)	56,250	29,791,739
Governmental activities capital assets, net	\$ 30,630,001	\$ 3,180,079	\$ 379,565	\$ 33,430,515

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

For the year ended June 30,	2022
Instructional services:	
Regular programs	\$ 122,183
Vocational programs	8,466
Special programs	167,192
Total depreciation expense - instructional services	297,841
Support services:	
Instructional staff support services	5,460
Student services	955
Plant services	62,279
Student transportation services	1,251,769
Food service operations	169,133
Total depreciation expense - support services	1,489,596
Total depreciation expense	\$ 1,787,437

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 5: CAPITAL ASSETS (Continued)

Finance Purchases

During the 2018 fiscal year, the School Board purchased 7 school buses under a finance purchase for \$572,125. The net book value of the purchased school buses was \$307,252 at fiscal year end. Depreciation expense for the year was \$63,569.

During the 2020 fiscal year, the School Board purchased 8 school buses under a finance purchase for \$660,416. The net book value of the purchased school buses was \$458,622 at fiscal year end. Depreciation expense for the year was \$73,380.

The following is a schedule of future minimum lease payments under finance purchases, together with the present value of the net minimum lease payments, as of June 30, 2022:

Fiscal Year End		
2023	\$	145,604
2024		145,604
Less: amounts representing interest		(14,799)
Present value of net minimum lease payments	\$	276,409

NOTE 6: LONG-TERM OBLIGATIONS

The following is a summary of changes in Long-Term Obligations for the year ended June 30, 2022:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Bonds Payable					
General obligation bonds	\$ 22,025,000	\$ 14,075,000	\$ 965,000	\$ 35,135,000	\$ 1,670,000
Unamortized bond premium	3,067,687	2,371,080	417,149	5,021,618	-
Bonds from direct borrowings and private placement	5,940,000	-	870,000	5,070,000	900,000
Total bonds payable	31,032,687	16,446,080	2,252,149	45,226,618	2,570,000
Other post employment benefits	42,692,907	-	15,262,714	27,430,193	-
Worker's compensation	226,540	-	62,580	163,960	94,297
Net Pension Liability	37,129,084	-	18,467,084	18,662,000	-
Compensated absences, net	1,099,945	-	222,075	877,870	642,216
Finance purchases	522,628	-	246,219	276,409	135,795
Total long-term obligations	\$ 112,703,791	\$ 16,446,080	\$ 36,512,821	\$ 92,637,050	\$ 3,442,308

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 6: LONG-TERM OBLIGATIONS (Continued)

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

Long-term bonds outstanding at June 30, 2022 are comprised of the following:

General obligation bonds	Issue	Maturity Date	Rate	Outstanding
District 4, Series 2016	7/28/2016	3/1/2036	2% - 4%	\$ 9,525,000
District 1, Series 2021	3/3/2021	3/1/2031	4%	12,000,000
District 2, Series 2021	10/21/2021	3/1/2041	1.125% - 4%	1,675,000
District 3, Series 2021	10/21/2021	3/1/2041	4%	11,935,000
Direct Borrowing and Private Placement Bonds				
District 1 Refunding, Series 2013	4/16/2013	3/1/2025	2.45%	1,715,000
District 3, Series 2020 Refunding	12/2/2020	3/1/2031	2%	3,355,000
Total bonds payable				\$ 40,205,000

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish and general operating funds of the School Board. At June 30, 2022, the School Board has accumulated \$3,751,245 in the debt service funds for future debt requirements. Debt service requirements to maturity on all School Board bonds outstanding at June 30, 2022 are as follows:

Year ending June 30,	Governmental Activities							
	General Obligation Bond District 4, Series 2016		General Obligation Bond District 1, Series 2021		General Obligation Bond District 2, Series 2021		General Obligation Bond District 3, Series 2021	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 515,000	\$ 330,000	\$ 750,000	\$ 480,000	\$ 70,000	\$ 55,381	\$ 335,000	\$ 477,400
2024	540,000	309,400	780,000	450,000	70,000	53,281	350,000	464,000
2025	560,000	287,800	810,000	418,800	70,000	51,181	360,000	450,000
2026	585,000	265,400	1,455,000	386,400	75,000	49,081	380,000	435,600
2027	610,000	242,000	1,510,000	328,200	-	46,831	385,000	420,400
2028-2032	3,435,000	914,200	6,695,000	682,800	1,390,000	219,031	2,420,000	1,856,200
2033-2037	3,280,000	258,650	-	-	-	148,000	3,935,000	1,238,800
2038-2041	-	-	-	-	-	46,000	3,770,000	384,600
Total	\$ 9,525,000	\$ 2,607,450	\$ 12,000,000	\$ 2,746,200	\$ 1,675,000	\$ 668,786	\$ 11,935,000	\$ 5,727,000

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 6: LONG-TERM OBLIGATIONS (Continued)

<i>Year ending June 30,</i>	Governmental Activities			
	Direct Borrowing & Private District 1, Series 2013		Direct Borrowing & Private District 3, Series 2020	
	Principal	Interest	Principal	Interest
2023	\$ 560,000	\$ 42,018	\$ 340,000	\$ 67,100
2024	570,000	28,298	350,000	60,300
2025	585,000	14,332	355,000	53,300
2026	-	-	360,000	46,200
2027	-	-	375,000	39,000
2028-2032	-	-	1,575,000	79,600
2033-2037	-	-	-	-
2038-2041	-	-	-	-
Total	\$ 1,715,000	\$ 84,648	\$ 3,355,000	\$ 345,500

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, the statutory limit was \$79,624,395 and outstanding net bonded debt totaled \$41,160,033.

NOTE 7: NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets at June 30, 2022 is as follows:

	Governmental Activities
Capital assets (net)	\$ 33,430,515
Outstanding debt related to capital assets	(45,290,453)
Unspent bond proceeds	16,221,101
Net investment in capital assets	\$ 4,361,163

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 8: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual balances due to/from other funds at June 30, 2022, are as follows:

	Due		Net
	From	To	
Major Funds:			
General Fund	\$ 2,819,044	\$ 1,068,168	\$ 1,750,876
ESSER	-	975,568	(975,568)
Construction District #1 Delhi	-	1,586	(1,586)
Construction District #3 Rayville	-	90,400	(90,400)
Non-major Funds:			
Special Education	-	197,572	(197,572)
Title I	-	353,601	(353,601)
Other Federal Programs	66,009	185,058	(119,049)
State Grants	-	13,100	(13,100)
Total	\$ 2,885,053	\$ 2,885,053	\$ -

Transfers to/from other funds for the year ended June 30, 2022 were as follows:

	Transfers		Net
	In	Out	
Major Funds:			
General Fund	\$ 6,705,393	\$ 7,057,357	\$ (351,964)
ESSER	-	502,816	(502,816)
Non-major Funds:			
Special Education	-	81,247	(81,247)
Title I	-	241,051	(241,051)
Other Federal Programs	1,227,069	49,991	1,177,078
Total	\$ 7,932,462	\$ 7,932,462	\$ -

NOTE 9: PENSION AND RETIREMENT PLANS

Plan Description

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

TRSL also administers an optional retirement plan (ORP), which was created by Louisiana Revised Statute 11:921 - 931 for academic and administrative employees of public institutions of higher education and is considered a defined contribution plan (see Optional Retirement Plan note below). A portion of the employer contributions for ORP plan members is dedicated to the unfunded accrued liability of the TRSL defined benefit plan.

Teachers' Retirement System of Louisiana (TRSL)

TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S. 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761 and vary depending on the member's hire date. The computation for retirement benefits is defined in R.S. 11:768. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

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 2% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been an active member at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2 1/2% 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.

Louisiana School Employees' Retirement System (LSERS)

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

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

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the 3 highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service.

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

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service who has withdrawn from active service prior to the age at which that person is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age.

A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period.

During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions are used to fund the TRSL defined benefit plans' unfunded accrual liability.

Employer contributions to LSERS for fiscal year 2022 were \$518,131 with active member contributions ranging from 7.5% to 8%, and employer contributions of 28.5%. Employer defined benefit plan contributions to TRSL for fiscal year 2022 were \$3,888,033, with active member contributions of 8%, and employer contributions of 25.6%.

Non-employer contributions to TRSL, which are comprised of \$130,774 from ad valorem taxes and revenue sharing funds and \$3,470 from the State for PIP salaries, totaled \$134,244 for fiscal year 2022. 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

The net pension liabilities were measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date.

The School Board's proportion of the net pension liability for TRSL and LSERS was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2022, and the change compared to the June 30, 2021 proportion:

Plan	Net Pension Liability at June 30, 2022	Proportion at June 30, 2021	Increase (Decrease) to June 30, 2021 Proportion
TRSL	\$ 16,179,734	0.303060%	0.297240%
LSERS	2,482,266	0.522234%	0.505945%
	<u>\$ 18,662,000</u>		

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

Plan	Pension Expense	Amortization	Total
TRSL	\$ (744,515)	\$ (2,170,599)	\$ (2,915,114)
LSERS	133,711	(144,355)	(10,644)
	<u>\$ (610,804)</u>	<u>\$ (2,314,954)</u>	<u>\$ (2,925,758)</u>

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

TRSL	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience	\$ 82,633	\$ 244,647
Investment Earnings	-	10,921,788
Assumptions	1,574,975	-
Change in Proportions	904,038	663,144
Employer Contributions	3,888,033	-
	<u>\$ 6,449,679</u>	<u>\$ 11,829,579</u>

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

LSERS	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience	\$ 53,691	\$ 36,069
Investment Earnings	-	944,399
Assumptions	81,791	-
Change in Proportion and Difference in Contributions	75,593	47,903
Difference in Contributions	-	3,893
Employer Contributions	518,131	-
	\$ 729,206	\$ 1,032,264

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

Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
TRSL	\$ 6,449,679	\$ 11,829,579
LSERS	729,206	1,032,264
	\$ 7,178,885	\$ 12,861,843

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date of \$228,002 will be recognized as a reduction of net pension liability in the year ending June 30, 2022. The following table lists the pension contributions made subsequent to the measurement date for each pension plan:

Plan	Subsequent Contributions
TRSL	\$ 3,888,033
LSERS	518,131
	\$ 4,406,164

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

June 30,	2023	2024	2025	2026	Total
TRSL	\$ (2,170,599)	\$ (1,722,000)	\$ (2,221,769)	\$ (3,153,565)	\$ (9,267,933)
LSERS	(144,355)	(75,593)	(227,576)	(373,665)	(821,189)
	\$ (2,314,954)	\$ (1,797,593)	\$ (2,449,345)	\$ (3,527,230)	\$ (10,089,122)

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

Actuarial Assumptions

The total pension liabilities for TRSL and LSERS in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	<u>TRSL</u>	<u>LSERS</u>
Valuation Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	
Actuarial Assumptions:		
Expected Remaining Service Lives	5 years	3 years
Investment Rate of Return	7.40% net of investment expenses	6.90% net of investment expenses
Inflation Rate	2.30% per annum.	2.50%
Salary Increases	3.10% - 4.60% (varies depending on duration of service).	3.25% based on a 2018 experience study (for the period 2013-2017) of the System's members
Cost of Living Adjustments	None	Cost of living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.
Mortality	Mortality rates based on MP-2017 generational improvement table with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.	Mortality rates were based on the 2018 experience study (for the period 2013-2017). RP-2014 Healthy Annuitant Tables, the RP-2014 Sex Distinct Employee Table, and the RP-2014 Sex Distinct Mortality Table.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (July 1, 2012-June 30, 2017) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2013-2017) experience study of the System's members.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

For TRSL, the long-term expected rate of return was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification.

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

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2021:

Asset Class	Target Allocation		Long-Term Expected Portfolio Real Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Cash	-	-	-	-
Domestic Equity	27.0%	-	4.21%	-
International Equity	19.0%	-	5.23%	-
Domestic Fixed Income	13.0%	-	0.44%	-
International Fixed Income	5.5%	-	0.56%	-
Private Assets	25.5%	-	8.48%	-
Other Private Assets	10.0%	-	4.27%	-
Fixed Income	-	26.0%	-	0.76%
Equity	-	39.0%	-	2.84%
Alternative investments	-	23.0%	-	1.87%
Real Estate	-	-	-	-
Real Assets	-	12.0%	-	0.60%
Risk Parity	-	-	-	-
Total	100.0%	100.0%	n/a	6.07%

n/a - amount not provided by Retirement System

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

Discount Rate

The discount rate used to measure the total pension liability for TRSL and LSERS, were 7.40% and 6.90%, respectively, for the year ended June 30, 2022.

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

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

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
TRSL			
Discount rate	6.40%	7.40%	8.40%
Share of NPL	\$ 26,775,819	\$ 16,179,734	\$ 7,267,312
LSERS			
Discount rate	5.90%	6.90%	7.90%
Share of NPL	\$ 3,822,821	\$ 2,482,266	\$ 1,336,382

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2022, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$130,774 for its participation in TRSL. LSERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS for the year ended June 30, 2022.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 9: PENSION AND RETIREMENT PLANS (Continued)

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

As of June 30, 2022, the School Board had no payables due to the pension plans. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions.

Optional Retirement Plan (ORP)

TRSL administers an optional retirement plan (ORP), which was created by R.S. 11:921-931 for academic and administrative employees of public institutions of higher education. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants. The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies. Benefits payable to participants are not the obligation of the State of Louisiana or the TRSL. Such benefits and other rights of the ORP are the liability and responsibility solely of the designated company or companies to whom contributions have been made.

R.S. 11:927 sets the contribution requirements of the ORP plan members and the employer equal to the contribution rates established for the regular retirement plan of TRSL. However, effective July 1, 2014, the employer contribution rate for amounts credited to the ORP participants who are not employed in higher education must be the greater of: (1) the employer normal cost contribution for the TRSL Regular Plan; or (2) 6.2%.

Employer ORP contributions to TRSL for fiscal year 2022 totaled \$22,470, which represents pension expense for the School Board. Employee contributions totaled \$6,449. The active member and employer contribution rates were 8% and 6%, respectively, with an additional employer contribution of 21.5% made to the TRSL defined benefit plan described above.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided and Funding Policy

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

Employees Covered by Benefit Terms

At June 30, 2022 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	404
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	274
Total	678

Net OPEB Liability

The components of the net OPEB liability of the School Board at June 30, 2022, were as follows:

Total OPEB liability	\$ 27,430,193
Plan fiduciary net position	-
School Board's net OPEB liability	\$ 27,430,193

The School Board's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	3.00%
Discount rates	2.16%
Healthcare cost trend rates	3.6% - 5.2%

Mortality Rate

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

Discount Rate

Although this plan is a defined benefit OPEB plan, which meets the requirements of paragraph 4 of GASB Statement No. 75, the funded ratio is 0% and the total actual and deemed employer contributions are well below the actuarially determined contribution. We have therefore used a discount rate which would be applicable had the requirements of paragraph 4 not been met. The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2021	\$ 42,692,907	\$ -	\$ 42,692,907
Changes for the Year:			
Service cost	845,511	-	845,511
Interest on total OPEB liability	907,656	-	907,656
Effect of plan changes	-	-	-
Effect on economic/demographic gains or losses	2,090,110	-	2,090,110
Effect of assumptions changes or inputs	(16,055,081)	-	(16,055,081)
Benefit payments	(3,050,910)	-	(3,050,910)
Net changes	(15,262,714)	-	(15,262,714)
Balance as of June 30, 2022	\$ 27,430,193	\$ -	\$ 27,430,193

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

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

	1.0% Decrease (2.54%)	Current Discount Rate (3.54%)	1.0% Increase (4.54%)
Net OPEB liability	\$ 31,635,154	\$ 27,430,193	\$ 23,994,007

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

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

	1.0% Decrease	Current Healthcare Trend	1.0% Increase
Net OPEB liability	\$ 23,944,874	\$ 27,430,193	\$ 31,674,129

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 10: OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

For the year ended June 30, 2022, the School Board recognized OPEB expense of \$1,584,857. At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,402,248	\$ -
Changes in assumptions / inputs	259,224	13,211,341
Total	\$ 2,661,472	\$ 13,211,341

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

Year ended June 30:

2023	\$	3,742,938
2024	\$	3,394,835
2025	\$	3,412,096
2026	\$	-
2027	\$	-
Thereafter	\$	-

Payable to the OPEB Plan

At June 30, 2022, the School Board had no payables to the OPEB Plan.

Funded Status and Funding Progress

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

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 11: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

The balances of deferred inflows and outflows of resources as of June 30, 2022 consist of:

	Deferred Outflows of	Deferred Inflows of
Bond Refundings	\$ 63,835	\$ -
Net Pension Liabilities (GASB 68):		
Teachers' Retirement System of Louisiana (TRSL)	6,449,679	11,829,579
Louisiana School Employees' Retirement System (LSE)	729,206	1,032,264
	7,178,885	12,861,843
Other Post-Employment Benefits (GASB 75)	2,661,472	13,211,341
Balance as of June 30, 2022	\$ 9,904,192	\$ 26,073,184

NOTE 12: AD VALOREM TAXES

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

The Richland Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly. Below is the property tax calendar in effect for the year ended June 30, 2022:

Millage Rates Adopted	August 5, 2021
Levy Date	August 5, 2021
Tax Bills Mailed	November 12, 2021
Total Taxes are Due	January 31, 2022
Lien Date	May 7, 2022
Tax sale date - 2021 delinquent property	May 5, 2022

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

10% Land	25% Public Service Properties, Excluding Land
10% Residential Improvements	15% Other Property
15% Electronic Cooperative Properties, Excluding Land	

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2016. Total assessed value was \$218,518,072 in calendar year 2021. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$30,772,209 of the assessed value in calendar year 2021.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 12: AD VALOREM TAXES (Continued)

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

All property taxes are recorded in the general and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. Property tax revenue is recognized in the period for which the taxes are levied (budgeted).

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2021 property taxes occurs in December, and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes. The following is a summary of authorized and levied ad valorem taxes:

	<u>Levied</u>	<u>Expiration</u>
Parish-wide taxes:		
Constitutional	9.70 mills	Statutory
Maintenance	9.57 mills	2026
Bonds - Debt Service:		
School District #1	6.00 mills	2024
School District #3	18.00 mills	2030
School District #4	24.00 mills	2035
School District #1	10.00 mills	2030
School District #2	10.50 mills	2040

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 13: RISK MANAGEMENT

Risk Exposure

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

Workers' Compensation

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

The risk allocated to the School Board for the year ended June 30, 2022 was 41%. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds. Changes in the claims amount for the last four fiscal years were as follows:

Years Ended June 30,	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Ending of Fiscal Year Liability
2018-2019	\$ 28,597	\$ 442,913	\$ 172,803	\$ 298,707
2019-2020	298,707	75,232	134,287	239,652
2020-2021	239,652	73,130	86,242	226,540
2021-2022	226,540	31,717	94,297	163,960

During the fiscal year 2022, a total of \$94,297 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$350,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. Claims payable of \$163,960 as of June 30, 2022 has been accrued as liability. Claims payable does not include incremental costs.

Settlements have not exceeded insurance coverage for each of the past three fiscal years. In addition, the School Board is at risk for property damage, liability, and theft which are covered by insurance policies.

Richland Parish School Board Notes to the Basic Financial Statements

NOTE 13: RISK MANAGEMENT (Continued)

The School Board also participates in an entity risk pool for insurance coverage, including property and casualty insurance and the reinsurance of such coverage, in order to provide a more efficient and effective way to acquire insurance coverage. The entity risk pool is known as Property Casualty Alliance of Louisiana (PCAL), which is established only for School Boards and is overseen by a board made up of School Board Members.

The responsibilities of the School Board is to pay contributions based upon a risk-funding plan developed by the Program as well as to have a loss prevention plan to make all reasonable efforts to eliminate and minimize hazards that would contribute to property/casualty losses. The pool is responsible for handling any and all claims after notice of loss has been received.

NOTE 14: COMMITMENTS AND CONTINGENCIES

Legal

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

Construction Commitments

The School Board had \$468,751 in construction contracts outstanding for District 1 (Delhi) and \$113,500 for District 2 (Start) as of June 30, 2022.

Grant Disallowances

The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants.

Tax Arbitrage Rebate

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

Richland Parish School Board

Notes to the Basic Financial Statements

NOTE 15: CONCENTRATIONS

Amounts due from governmental agencies represent substantially all of receivables from outside sources. The School Board derives a majority of its revenue from grants by governmental agencies and is, therefore, economically dependent upon these grants.

NOTE 16: ECONOMIC DEPENDENCY

The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 and February 1 student counts. The state provided \$16,457,221, to the School Board, which represents approximately 34.6% of the School Board's total revenues for the year.

NOTE 17: ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments. The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$4,358. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

The Parish Tax Collector makes retirement remittances to the teacher's retirement system of the State of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Tax Collector's office.

For 2022, the Tax Collector paid the Teacher's Retirement System of Louisiana \$194,714. This amount should be used as ad valorem revenue and a reduction in the School Board's required contribution to the TRSL pension plan.

Richland Parish School Board
Notes to the Basic Financial Statements

NOTE 18: TAX ABATEMENTS

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

The amount of tax abatement under this program during the fiscal year ended June 30, 2022 by authorized millage is as follows:

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



REQUIRED SUPPLEMENTARY INFORMATION



Richland Parish School Board
Budgetary Comparison Schedule – General Fund (Unaudited)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<i>For the year ended June 30, 2022</i>				
Budgetary Fund Balance, Beginning	\$ 12,271,030	\$ 12,271,030	\$ 12,271,030	\$ -
Resources (inflows)				
Local sources				
Ad valorem taxes	4,601,850	4,486,668	4,594,301	107,633
Sales and use taxes	6,892,824	7,929,804	7,909,905	(19,899)
Earnings on investments	-	-	39,996	39,996
Other local revenue	-	-	375,498	375,498
Total local sources	11,494,674	12,416,472	12,919,700	503,228
State and federal sources				
State equalization	16,217,420	16,274,830	16,283,197	8,367
State revenue sharing	-	-	182,791	182,791
Other unrestricted revenue	249,489	340,934	-	(340,934)
Other restricted revenue	-	-	30,703	30,703
Federal restricted grants-in-aid	52,610	5,967	51,004	45,037
Total state and federal sources	16,519,519	16,621,731	16,547,695	(74,036)
Other sources				
Proceeds from sale of assets	-	-	38,352	38,352
Transfers in	7,930,489	6,705,394	6,705,393	-
Total other sources	7,930,489	6,705,394	6,743,745	38,352
Total resources	35,944,682	35,743,597	36,211,140	467,544
Amounts available for appropriations	48,215,712	48,014,627	48,482,170	467,544
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	10,856,651	10,761,906	10,551,220	(210,686)
Special education programs	2,316,550	2,262,118	2,261,895	(223)
Vocational programs	717,790	646,893	506,986	(139,907)
Other instructional programs	608,454	611,841	611,841	-
Special programs	30,368	161,153	219,322	58,169
Support Services				
Pupil support services	1,509,686	1,564,913	1,560,511	(4,402)
Instructional staff support	421,337	378,721	320,903	(57,818)
General administration	679,536	646,104	778,614	132,510
School administration	2,610,230	2,593,538	2,527,822	(65,716)
Business services	531,061	562,597	608,426	45,829
Plant services	3,355,766	3,493,191	3,135,344	(357,847)
Student transportation services	2,390,874	2,556,506	2,475,197	(81,309)
Central services	466,576	475,270	500,376	25,106
Non-instructional services				
Food service operations	186,959	173,414	173,414	-
Other uses				
Transfers out	6,887,506	6,214,353	7,057,357	843,004
Total charges to appropriations	33,569,344	33,102,518	33,289,228	186,710
Budgetary Fund Balances, Ending	\$ 14,646,368	\$ 14,912,109	\$ 15,192,942	\$ 280,834

See notes to budgetary comparison schedules.

Richland Parish School Board
Budgetary Comparison Schedule – ESSER CARES Act (Unaudited)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<i>For the year ended June 30, 2022</i>				
Budgetary Fund Balance, Beginning	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Federal sources				
Federal restricted grants-in-aid	6,660,691	4,892,328	4,878,226	(14,102)
Total federal sources	6,660,691	4,892,328	4,878,226	(14,102)
Total resources	6,660,691	4,892,328	4,878,226	(14,102)
Amounts available for appropriations	6,660,691	4,892,328	4,878,226	(14,102)
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	250,691	444,463	444,461	(2)
Special education programs	30,576	69,273	69,275	2
Vocational programs	16,100	-	-	-
Other instructional programs	7,246	-	-	-
Special programs	21,087	238,800	225,585	(13,215)
Support services				
Pupil support services	33,632	-	1,372	1,372
Instructional staff support	1,408,973	410,507	410,507	-
General administration	571	783,173	783,173	-
School administration	14,580	-	-	-
Business services	2,523	3,675	-	(3,675)
Plant services	71,730	90,168	92,957	2,789
Student transportation services	50,127	584,752	584,752	-
Central services	5,450	-	-	-
Non-instructional services				
Food service operations	74,191	-	-	-
Capital outlay	-	-	1,763,328	1,763,328
Other uses				
Transfers out	473,214	502,817	502,816	(1)
Total charges to appropriations	2,460,691	3,127,628	4,878,226	1,750,598
Budgetary Fund Balances, Ending	\$ 4,200,000	\$ 1,764,700	\$ -	\$ (1,764,700)

See notes to budgetary comparison schedules.

Richland Parish School Board

Notes to Budgetary Comparison Schedules (Unaudited)

Note A – BUDGETS

General Budget Policies The School Board utilized the following procedures in establishing the budgetary data reflected in the financial statements.

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

Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

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

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

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

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

Richland Parish School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Note B – BUDGET TO GAAP RECONCILIATION

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

	<u>General Fund</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 48,482,170
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(12,271,030)
Other financing sources - Transfers from other funds and Proceeds from sale of assets	(6,743,745)
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<hr/> <hr/> \$ 29,467,395
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 33,289,228
Other financing uses - Transfers to other funds	(7,057,357)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<hr/> <hr/> \$ 26,231,871

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

	<u>ESSER Cares Act</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 4,878,226
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	-
Other financing uses	-
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<hr/> <hr/> \$ 4,878,226
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 4,878,226
Other financing uses - Transfers to other funds	(502,816)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<hr/> <hr/> \$ 4,375,410

Richland Parish School Board
Schedule of Changes in Net OPEB Liability and Related Ratios

<i>For the Year Ended June 30,</i>	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 845,511	\$ 822,721	\$ 780,660	\$ 820,463	\$ 863,816
Interest	907,656	938,147	1,539,840	1,575,882	1,524,538
Economic/demographic gains or losses	2,090,110	-	3,633,990	-	(172,435)
Changes of assumptions	(16,055,081)	532,092	(5,201,560)	3,115,753	(1,819,493)
Benefit payments	(3,050,910)	(2,441,564)	(2,233,159)	(2,160,195)	(2,275,237)
Net change in total OPEB liability	\$ (15,262,714)	\$ (148,604)	\$ (1,480,229)	\$ 3,351,903	\$ (1,878,811)
Total OPEB liability - beginning	\$ 42,692,907	\$ 42,841,511	44,321,740	40,969,837	42,848,648
Total OPEB liability - ending (a)	\$ 27,430,193	\$ 42,692,907	\$ 42,841,511	\$ 44,321,740	\$ 40,969,837
Net OPEB liability - ending (a)-(b)	\$ 27,430,193	\$ 42,692,907	\$ 42,841,511	\$ 44,321,740	\$ 40,969,837
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%
Covered payroll	\$ 16,447,489	\$ 15,205,348	\$ 14,934,430	\$ 16,586,315	\$ 16,451,726
Net OPEB liability as a percentage of covered payroll	166.77%	280.78%	286.86%	267.22%	249.03%

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

Richland Parish School Board

Schedule of the Employer's Proportionate Share of the Net Pension Liability

Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
Teachers' Retirement System of Louisiana					
2022	0.303060%	\$ 16,179,734	\$ 14,866,465	109%	83.9%
2021	0.297240%	\$ 33,064,034	\$ 14,156,501	234%	65.6%
2020	0.301490%	\$ 29,922,125	\$ 13,992,829	214%	68.6%
2019	0.295530%	\$ 29,044,354	\$ 13,803,547	210%	68.2%
2018	0.314640%	\$ 32,256,506	\$ 14,613,204	221%	65.6%
2017	0.339490%	\$ 39,846,366	\$ 15,107,641	264%	59.9%
2016	0.339460%	\$ 36,499,358	\$ 15,688,153	233%	62.5%
2015	0.372100%	\$ 38,033,528	\$ 16,765,123	227%	63.7%
Louisiana School Employees' Retirement System					
2022	0.522234%	\$ 2,482,266	\$ 1,606,972	154%	82.5%
2021	0.505945%	\$ 4,065,050	\$ 1,424,899	285%	69.7%
2020	0.527385%	\$ 3,692,021	\$ 1,437,125	257%	73.5%
2019	0.530794%	\$ 3,546,433	\$ 1,531,094	232%	74.4%
2018	0.567960%	\$ 3,634,529	\$ 1,626,624	223%	75.0%
2017	0.580943%	\$ 4,382,328	\$ 1,651,077	265%	70.1%
2016	0.546381%	\$ 3,464,749	\$ 1,525,542	227%	74.5%
2015	0.567800%	\$ 3,297,097	\$ 1,593,525	207%	76.2%

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

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

Richland Parish School Board Schedule of Employer's Contributions

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
Teachers' Retirement System of Louisiana					
2022	\$ 3,888,033	\$ 3,888,033	\$ -	\$ 15,192,063	25.6%
2021	\$ 3,835,807	\$ 3,835,807	\$ -	\$ 14,866,465	25.8%
2020	\$ 3,675,370	\$ 3,675,370	\$ -	\$ 14,156,501	26.0%
2019	\$ 3,736,085	\$ 3,736,085	\$ -	\$ 13,992,829	26.5%
2018	\$ 3,671,744	\$ 3,671,744	\$ -	\$ 13,803,547	26.5%
2017	\$ 3,729,044	\$ 3,729,044	\$ -	\$ 14,613,204	25.1%
2016	\$ 4,021,668	\$ 4,021,668	\$ -	\$ 15,107,641	26.1%
2015	\$ 4,354,421	\$ 4,354,421	\$ -	\$ 15,688,153	27.8%
Louisiana School Employees' Retirement System					
2022	\$ 518,131	\$ 518,131	\$ -	\$ 1,815,137	28.5%
2021	\$ 461,429	\$ 461,429	\$ -	\$ 1,606,972	28.7%
2020	\$ 418,920	\$ 418,920	\$ -	\$ 1,424,899	29.4%
2019	\$ 401,691	\$ 401,691	\$ -	\$ 1,437,125	28.0%
2018	\$ 422,576	\$ 422,576	\$ -	\$ 1,531,094	27.6%
2017	\$ 444,098	\$ 444,098	\$ -	\$ 1,626,624	27.3%
2016	\$ 501,946	\$ 501,946	\$ -	\$ 1,651,077	30.4%
2015	\$ 503,594	\$ 503,594	\$ -	\$ 1,525,542	33.0%

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

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

Richland Parish School Board
Notes to Required Supplementary Information

Changes of Benefit Terms

Teachers' Retirement System of Louisiana

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2021.

Louisiana School Employees' Retirement System

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2021.

Changes of Assumptions

Teachers' Retirement System of Louisiana

The discount rate for the June 30, 2021 valuation, was decreased from 7.45% to 7.40%.

There were no changes in inflation rates from June 30, 2020 to June 30, 2021.

The Board adopted a reduction in the discount rate to 7.4% for purposes of determining the projected contribution requirements for Fiscal Year 2021-2022.

Louisiana School Employees' Retirement System

There were no changes in actuarial assumptions from June 30, 2020, to June 30, 2021.



OTHER SUPPLEMENTARY INFORMATION



Richland Parish School Board Non-major Governmental Fund Descriptions

Special Revenue Funds:

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

- Special Education:
 - State Grants – To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.
 - Preschool Grants – To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.
- School Food Service - To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.
- Title I – To meet the special needs of educationally deprived children.
- Title II and IV – To improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.
- LA 4 - The purpose for these funds are to assist prekindergarten intervention for targeted children, at-risk unserved four-year-olds.
- Vocational/JAG Grants - The purpose of these grants are to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.
- National Farm to School Network - To account for resources for connecting and strengthening the farm to school movement.
- Teacher Incentive - To implement, improve, or expand performance based compensation systems for teachers, principals, and other school leaders.
- Miscellaneous Funds - This fund accounts for several small state and federal funds such as 8G, Striving Readers Comprehensive Literacy, and Rural Education Achievement.
- Student Activity Funds - Account for the revenues and expenditures incurred at the individual school level.

Richland Parish School Board Non-major Governmental Fund Descriptions

Debt Service Funds:

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

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

Capital Projects Funds:

Construction District #2 Start
Construction District #4 Mangham

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

Richland Parish School Board
Combining Balance Sheet – Non-Major Governmental Funds

<i>June 30, 2022</i>	Total Special Revenue	Total Debt Service	Total Capital Projects	Total Non-major Funds
Assets				
Cash and cash equivalents	\$ 3,103,216	\$ 3,761,245	\$ 2,524,801	\$ 9,389,262
Accounts receivable	1,386,284	-	-	1,386,284
Due from other funds	66,009	-	-	66,009
Inventory	119,839	-	-	119,839
Total assets	\$ 4,675,348	\$ 3,761,245	\$ 2,524,801	\$ 10,961,394
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 83,325	\$ -	\$ 113,500	\$ 196,825
Salaries and wages payable	619,097	-	182	619,279
Due to other funds	736,231	10,000	3,100	749,331
Other liabilities	86,096	-	-	86,096
Total liabilities	1,524,749	10,000	116,782	1,651,531
Fund Balances				
Nonspendable				
Inventory and other assets	119,839	-	-	119,839
Restricted for				
Salaries and related benefits	10,919	-	-	10,919
Instructional costs	287,130	-	-	287,130
Food services	2,234,009	-	-	2,234,009
Student Activity Funds	498,702	-	-	498,702
Debt service	-	3,751,245	-	3,751,245
Capital projects	-	-	2,408,019	2,408,019
Total fund balances	3,150,599	3,751,245	2,408,019	9,309,863
Total liabilities and fund balances	\$ 4,675,348	\$ 3,761,245	\$ 2,524,801	\$ 10,961,394

Richland Parish School Board
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances – Non-Major Governmental Funds

<i>Year ended June 30, 2022</i>	Total Special Revenue	Total Debt Service	Total Capital Projects	Total Non-major Funds
Revenues				
Local Sources				
Ad valorem tax	\$ -	\$ 3,961,584	\$ -	\$ 3,961,584
Sales and use taxes	-	-	-	-
Earnings on investments	1,757	3,313	6,128	11,198
Cash payments for meals	20,225	-	-	20,225
Other local revenue	909,971	-	-	909,971
State Sources				
Restricted grants-in-aid	454,873	-	-	454,873
Other unrestricted revenue	85,915	-	-	85,915
Federal Sources				
Restricted grants-in-aid	7,745,083	-	-	7,745,083
Total revenues	9,217,824	3,964,897	6,128	13,188,849
Expenditures				
Current				
Instructional				
Regular programs	657,437	-	-	657,437
Special education programs	341,362	-	-	341,362
Vocational programs	334,954	-	-	334,954
Other instructional programs	729,970	-	-	729,970
Special programs	1,269,052	-	-	1,269,052
Support Services				
Pupil support services	379,349	-	-	379,349
Instructional staff	1,559,903	-	-	1,559,903
General administration	-	133,349	-	133,349
School administration	404,577	-	-	404,577
Business services	140,931	-	-	140,931
Plant services	391,008	-	81,249	472,257
Student transportation services	10,427	-	-	10,427
Central services	-	-	-	-
Noninstructional				
Food service operations	2,931,855	-	-	2,931,855
Debt service				
Principal	-	1,835,000	-	1,835,000
Interest	-	1,146,339	-	1,146,339
Capital outlay	-	-	219,414	219,414
Total expenditures	9,150,825	3,114,688	300,663	12,566,176
Excess (Deficiency) of				
Revenues Over Expenditures	66,999	850,209	(294,535)	622,673
Other Financing Sources (Uses)				
Proceeds from bond issuance	-	-	1,900,000	1,900,000
Transfers in	1,227,069	-	-	1,227,069
Transfers out	(372,289)	-	-	(372,289)
Total other financing sources (uses)	854,780	-	1,900,000	2,754,780
Net Change in Fund Balances	921,779	850,209	1,605,465	3,377,453
Fund Balances, beginning of year	2,228,820	2,901,036	802,554	5,932,410
Fund Balances, end of year	\$ 3,150,599	\$ 3,751,245	\$ 2,408,019	\$ 9,309,863

Richland Parish School Board Combining Balance Sheet – Non-Major Special Revenue Funds

<i>June 30, 2022</i>	Special Revenue Funds										Total Non-major Special Revenue Funds
	Special Education	School Food Service	Title I	Title II & IV	LA 4	Vocational/ JAG Grants	National Farm to School Network	Teacher Incentive	Miscellaneous Funds	School Activity Funds	
Assets											
Cash and cash equivalents	\$ -	\$ 2,333,455	\$ -	\$ -	\$ 22,129	\$ 139,678	\$ 10,919	\$ 58,107	\$ 40,226	\$ 498,702	\$ 3,103,216
Accounts Receivable	311,207	36,594	571,220	98,831	24,732	179,324	-	-	164,376	-	1,386,284
Due from other funds	-	66,009	-	-	-	-	-	-	-	-	66,009
Inventory	-	119,839	-	-	-	-	-	-	-	-	119,839
Total assets	\$ 311,207	\$ 2,555,897	\$ 571,220	\$ 98,831	\$ 46,861	\$ 319,002	\$ 10,919	\$ 58,107	\$ 204,602	\$ 498,702	\$ 4,675,348
Liabilities and Fund Balances											
Liabilities											
Accounts payable	\$ 3,516	\$ -	\$ 41,140	\$ 38	\$ -	\$ -	\$ -	\$ -	\$ 38,631	\$ -	\$ 83,325
Salaries and wages payable	72,169	165,419	164,963	45,262	46,861	27,284	-	58,107	39,032	-	619,097
Due to other funds	197,572	-	353,601	53,531	-	44,814	-	-	86,713	-	736,231
Deferred revenue and other liabilities	37,950	36,630	11,516	-	-	-	-	-	-	-	86,096
Total liabilities	311,207	202,049	571,220	98,831	46,861	72,098	-	58,107	164,376	-	1,524,749
Fund Balances											
Nonspendable											
Inventory and prepaids	-	119,839	-	-	-	-	-	-	-	-	119,839
Restricted for											
Salaries and related benefits	-	-	-	-	-	-	10,919	-	-	-	10,919
Instructional costs	-	-	-	-	-	246,904	-	-	40,226	-	287,130
Food services	-	2,234,009	-	-	-	-	-	-	-	-	2,234,009
Student Activity Funds	-	-	-	-	-	-	-	-	-	498,702	498,702
Total fund balances	-	2,353,848	-	-	-	246,904	10,919	-	40,226	498,702	3,150,599
Total liabilities and fund balances	\$ 311,207	\$ 2,555,897	\$ 571,220	\$ 98,831	\$ 46,861	\$ 319,002	\$ 10,919	\$ 58,107	\$ 204,602	\$ 498,702	\$ 4,675,348

Richland Parish School Board

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Special Revenue Funds

Year ended June 30, 2022	Special Revenue Funds										Total Non-Major Special Revenue Funds
	Special Education	School Food Service	Title I	Title II & IV	LA 4	Vocational/ JAG Grants	National Farm to School Network	Teacher Incentive	Miscellaneous Funds	Student Activity Funds	
Revenues											
Local Sources											
Earnings on investments	\$ -	\$ 1,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,757
Cash payments for meals	-	20,225	-	-	-	-	-	-	-	-	20,225
Other local revenue	-	4,280	-	-	-	-	-	-	905,691	-	909,971
State Sources											
Restricted grants-in-aid	-	-	-	-	251,900	84,109	-	-	118,864	-	454,873
State - other revenues	-	85,915	-	-	-	-	-	-	-	-	85,915
Federal Sources											
Restricted grants-in-aid	862,468	3,347,606	2,550,932	271,334	-	312,666	-	56,066	344,011	-	7,745,083
Total revenues	862,468	3,459,783	2,550,932	271,334	251,900	396,775	-	56,066	462,875	905,691	9,217,824
Expenditures											
Current											
Instructional											
Regular programs	-	-	352,025	7,666	-	-	-	-	36,433	261,313	657,437
Special education programs	341,362	-	-	-	-	-	-	-	-	-	341,362
Vocational programs	-	-	-	-	-	334,954	-	-	-	-	334,954
Other instructional programs	-	-	-	-	-	-	-	-	-	729,970	729,970
Special programs	-	-	833,624	37,178	222,804	-	-	-	175,446	-	1,269,052
Support Services											
Pupil support services	374,724	-	-	-	-	-	-	-	4,625	-	379,349
Instructional staff	65,135	-	923,186	213,213	29,096	443	-	51,880	276,950	-	1,559,903
School administration	-	-	58,607	-	-	-	-	-	-	345,970	404,577
Business services	-	-	140,931	-	-	-	-	-	-	-	140,931
Plant services	-	-	1,508	-	-	-	-	-	-	389,500	391,008
Student transportation services	-	-	-	-	-	10,427	-	-	-	-	10,427
Noninstructional											
Food service operations	-	2,931,855	-	-	-	-	-	-	-	-	2,931,855
Total expenditures	781,221	2,931,855	2,309,881	258,057	251,900	345,824	-	51,880	493,454	1,726,753	9,150,825
Excess of Revenues Over Expenditures	81,247	527,928	241,051	13,277	-	50,951	-	4,186	(30,579)	(821,062)	66,999
Other Financing Sources (Uses)											
Transfers in	-	384,065	-	-	-	-	-	-	-	843,004	1,227,069
Transfers out	(81,247)	-	(241,051)	(13,277)	-	-	-	(4,186)	(32,528)	-	(372,289)
Total other financing sources (uses)	(81,247)	384,065	(241,051)	(13,277)	-	-	-	(4,186)	(32,528)	843,004	854,780
Net Change in Fund Balances	-	911,993	-	-	-	50,951	-	-	(63,107)	21,942	921,779
Fund Balances at Beginning of Year	-	1,441,855	-	-	-	195,953	10,919	-	103,333	476,760	2,228,820
Fund Balances at End of Year	\$ -	\$ 2,353,848	\$ -	\$ -	\$ -	\$ 246,904	\$ 10,919	\$ -	\$ 40,226	\$ 498,702	\$ 3,150,599

Richland Parish School Board Combining Balance Sheet – Non-Major Debt Service Funds

<i>June 30, 2022</i>	School District #1	School District #2	School District #3	School District #4	Total Non-Major Debt Service Fund
Assets					
Cash and cash equivalents	\$ 1,353,658	\$ 59,099	\$ 1,376,939	\$ 971,549	\$ 3,761,245
Total assets	\$ 1,353,658	\$ 59,099	\$ 1,376,939	\$ 971,549	\$ 3,761,245
Liabilities and Fund Balances					
Liabilities					
Due to other funds	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
Fund Balances					
Restricted for debt service	1,353,658	49,099	1,376,939	971,549	3,751,245
Total liabilities and fund balances	\$ 1,353,658	\$ 59,099	\$ 1,376,939	\$ 971,549	\$ 3,761,245

Richland Parish School Board
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances – Non-Major Debt Service Funds

<i>Year ended June 30, 2022</i>	School District #1	School District #2	School District #3	School District #4	Total Non-major Debt Service Fund
Revenues					
Local Sources					
Ad valorem tax	\$ 1,823,306	\$ 141,795	\$ 1,150,520	\$ 845,963	\$ 3,961,584
Earnings on investments	1,030	89	1,283	911	3,313
Total revenues	1,824,336	141,884	1,151,803	846,874	3,964,897
Expenditures					
General administration	60,470	4,792	39,640	28,447	133,349
Debt service					
Principal	540,000	75,000	720,000	500,000	1,835,000
Interest	532,581	17,280	246,478	350,000	1,146,339
Total expenditures	1,133,051	97,072	1,006,118	878,447	3,114,688
Excess (deficiency) of revenues over expenditures	691,285	44,812	145,685	(31,573)	850,209
Net change in fund balances	691,285	44,812	145,685	(31,573)	850,209
Fund balances at beginning of year	662,373	4,287	1,231,254	1,003,122	2,901,036
Fund balances at end of year	\$ 1,353,658	\$ 49,099	\$ 1,376,939	\$ 971,549	\$ 3,751,245

Richland Parish School Board
Combining Balance Sheet – Non-Major Capital Project Funds

<i>June 30, 2022</i>	District #2 Start	District #4 Mangham	Total Non-major Capital Projects Fund
Assets			
Cash and cash equivalents	\$ 1,775,740	\$ 749,061	\$ 2,524,801
Total assets	\$ 1,775,740	\$ 749,061	\$ 2,524,801
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 113,500	\$ -	\$ 113,500
Salaries and wages payable	182		182
Due to other funds	-	3,100	3,100
Total liabilities	113,682	3,100	116,782
Fund Balances			
Restricted for capital projects	1,662,058	745,961	2,408,019
Total liabilities and fund balances	\$ 1,775,740	\$ 749,061	\$ 2,524,801

Richland Parish School Board
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balance – Non-Major Capital Project Funds

<i>Year ended June 30, 2022</i>	District #2 Start	District #4 Mangham	Total Non-major Capital Projects Fund
Revenues			
Local sources			
Earnings on investments	\$ -	\$ 6,128	\$ 6,128
Total revenues	-	6,128	6,128
Expenditures			
Current			
Business services	-	-	-
Plant services	81,249	-	81,249
Student transportation services	-	-	-
Central services	-	-	-
Noninstructional			
Food service operations	-	-	-
Facility acquisition & construction	156,626	62,788	219,414
Total expenditures	237,875	62,788	300,663
Excess (deficiency) of revenues over expenditures	(237,875)	(56,660)	(294,535)
Other Financing Sources (Uses)			
Proceeds from bond issuance	1,900,000	-	1,900,000
Total other financing sources (uses)	1,900,000	-	1,900,000
Net change in fund balances	1,662,125	(56,660)	1,605,465
Fund balances at beginning of year	(67)	802,621	802,554
Fund balances at end of year	\$ 1,662,058	\$ 745,961	\$ 2,408,019

**Richland Parish School Board
Schedule of Compensation Paid to Board Members
For the Year Ended June 30, 2022**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, and the president receives \$700 per month for performing the duties of their office.

Board Member	Amount
Kevin Eppinette, President	\$ 8,400
Eugene Young, Vice President	7,200
William Calvert	7,200
Joe Chapman	600
Scott McKay	6,600
Sharon Jones	7,200
Dr. Georgia Ineichen	7,200
Marie Lewis	7,200
Chris Pruitt	7,200
James Hough	7,200
Total board member compensation	\$ 66,000

Richland Parish School Board
Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2022

Agency Head Name: Sheldon Jones, Superintendent

Purpose	Amount
Salary	\$ 172,162
Benefits (insurance)	7,948
Benefits (retirement)	43,385
Benefits (Medicare)	2,443
Dues	855
Per diem	1,652
Reimbursements	69
Conference travel	4,064



REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS





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

Board Members
Richland Parish School Board
Rayville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richland Parish School Board (the “School Board”), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Richland Parish School Board’s basic financial statements, and have issued our report thereon dated July 18, 2024.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-003 to be a significant deficiency.

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

Report on Compliance and Other Matters

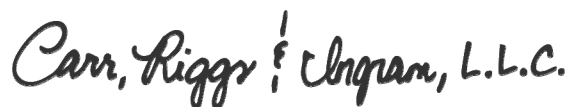
As part of obtaining reasonable assurance about whether Richland Parish School Board’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-004, and 2022-005.

Richland Parish School Board’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Richland Parish School Board’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Richland Parish School Board’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 18, 2024



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Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the *Uniform Guidance*

Board Members
Richland Parish School Board
Rayville, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Richland Parish School Board’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Richland Parish School Board’s major federal programs for the year ended June 30, 2022. Richland Parish School Board’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 18, 2024

Richland Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Contract / Grant Number	Expenditures	Payments to Subrecipients
DIRECT PROGRAMS:				
U.S. DEPARTMENT OF DEFENSE				
ROTC	12.609	LA211126	\$ 51,004	\$ -
Total U.S. Department of Defense			<u>51,004</u>	-
Total Direct Programs			<u>51,004</u>	-
PASS THROUGH PROGRAMS:				
U. S. DEPARTMENT OF EDUCATION				
Passed through Louisiana Department of Education				
Comprehensive Literacy Development	84.371C	28-22-CLB5	10,000	-
Comprehensive Literacy Development	84.371C	28-22-CLK511	162,693	-
Comprehensive Literacy Development	84.371C	28-22-CL68	<u>122,194</u>	-
Total Comprehensive Literacy Development			294,887	-
Title I Grants to Local Educational Agencies				
Title I Grants to Local Educational Agencies	84.010	28-22-T1-42	2,115,775	-
Title I Grants to Local Educational Agencies	84.010	28-22-DSS-42	36,068	-
Title I Grants to Local Educational Agencies	84.010	28-22-RD48-42	<u>399,089</u>	-
Total Title I Grants to Local Educational Agencies			2,550,932	-
SPECIAL EDUCATION CLUSTER:				
Special Education-Individuals With Disabilities Education Act IDEA B				
Grants to States (IDEA Part B)	84.027A	28-22-B1-42	769,902	-
Preschool Grants (IDEA Preschool)	84.173A	28-22-P1-42	23,205	-
IDEA 619 Set Aside (Preschool)	84.173X	28-22-619-SA	4,348	-
COVID-19 IDEA 619 ARP	84.173X	28-22-IA19-42	512	-
IDEA 611 Set Aside	84.027X	28-22-611-SA	64,140	-
COVID-19 IDEA 611 ARP	84.027X	28-22-IA11-42	<u>361</u>	-
Total Special Education Cluster			862,468	-
Carl D. Perkins Career & Technical Education	84.048A	28-22-02-42	13,146	-
Title V, Rural Education Achievement Program	84.358B	28-22-RLIS-42	49,124	-
Title II, Improving Teacher Quality	84.367A	28-22-50-42	264,522	-
Formula Transition Believe and Prepare	84.374	28-22-FTBP-4201	11,150	-
Teacher and School Leader Incentive Grants	84.374A	28-21-PBCS-4203	44,916	-
Title IV - Student Support and Academic Enrichment	84.424A	28-22-71-42	6,812	-
Education Stabilization Fund				
COVID-19 Education Stabilization Fund (ESSERF - Formula)	84.425D	28-20-ESRF-42	321,883	-
COVID-19 Education Stabilization Fund (ESSERF - Incentive)	84.425D	28-20-ESRI-42	84,302	-
COVID-19 Education Stabilization Fund (ESSER II - Formula)	84.425D	28-21-ES2F-42	1,130,238	-
COVID-19 Education Stabilization Fund (ESSER III EB Interventions)	84.425U	28-21-ESEB-42	501,792	-
COVID-19 Education Stabilization Fund (ESSER III - Formula)	84.425U	28-21-ES3F-42	<u>2,840,011</u>	-
Total Education Stabilization Funds			4,878,226	-
Total U.S. Dept. of Education Passed Through LA DOE			<u>8,976,183</u>	-

(continued)

Richland Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Contract / Grant Number	Expenditures	Payments to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Louisiana Department of Education				
Temporary Assistance for Needy Families Cluster Jobs for American Graduates	93.558	28-22-JS-42	<u>181,838</u>	-
Total U. S. Department of Health and Human Services Passed Through LA DOE			<u>181,838</u>	-
U.S. DEPARTMENT OF AGRICULTURE (USDA)				
Passed through Louisiana Department of Education				
CHILD NUTRITION CLUSTER:				
School Breakfast Program	10.553	N/A	1,040,824	-
National School Lunch Program	10.555	N/A	1,965,270	-
National School Lunch Program (Commodities)	10.555	N/A	193,505	-
Fresh Fruit and Vegetable Program	10.582	N/A	<u>148,007</u>	-
Total Child Nutrition Cluster			<u>3,347,606</u>	-
Total U.S. Dept. of Agriculture Passed Through LA DOE			<u>3,347,606</u>	-
TOTAL PASS THROUGH PROGRAMS			<u>12,505,627</u>	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u><u>12,556,631</u></u>	<u>\$ -</u>

(concluded)

Richland Parish School Board
Notes to Schedule of Expenditures of Federal Awards (Unaudited)

A. General

The preceding Schedule of Expenditures of Federal Awards presents the activity of all Federal financial assistance programs of the Richland Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the School Board's general purpose financial statements. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included on the schedule.

B. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's financial statements.

C. Relationship to Financial Statements

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 12,556,631
Total expenditures funded by other sources	32,641,822
<u>Total expenditures</u>	<u>\$ 45,198,453</u>

Included in the Child Nutrition Cluster is \$193,505 of non-cash awards in the form of commodities provided by the United States Department of Agriculture.

D. Relationship to Federal Financial Reports

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

E. Federal Indirect Cost Rate

Richland Parish School Board did not elect to use the 10% de minimis federal indirect cost rate for the year ended June 30, 2022.

F. Subrecipients

Richland Parish School Board did not provide federal funds to any sub-recipients during the year ended June 30, 2022.

Richland Parish School Board
Notes to Schedule of Expenditures of Federal Awards (Unaudited)

G. Loans

Richland Parish School Board did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2022.

H. Federally Funded Insurance

Richland Parish School Board has no federally funded insurance.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

The auditor's report expresses an unmodified opinion on the financial statements in accordance with GAAP.

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported
- Noncompliance material to the financial statements noted? yes no

Federal Awards

Type of auditor's report issued on compliance for major programs:

Unmodified

Internal control of major programs:

- Material weaknesses identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

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

The programs tested as major programs included:

Assistance Listing Number

Program Name

	Special Education Cluster:
84.027A	Grants to States (IDEA Part B)
84.173A	Preschool Grants (IDEA Preschool)
84.173X	IDEA 619 Set Aside (Preschool)
84.173X	IDEA 619 ARP
84.027X	IDEA 611 Set Aside
84.027X	IDEA 611 ARP
84.425D	COVID-19 Education Stabilization Fund
84.425U	COVID-19 Education Stabilization Fund

Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

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

- Auditee qualified as a low-risk auditee? yes no

Section II – Financial Statement Findings Reported in Accordance with *Government Auditing Standards*

2022-001 Internal Controls over Financial Reporting and Timely Filing of Audit Report

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Louisiana Revised Statute 24:513 requires that the School Board prepare and submit its annual audited financial statements to the Louisiana Legislative Auditor within six months of the School Board’s fiscal year end.

Condition: Accounting records were not updated timely, and the school board was slow to provide documentation, which led to the failure to submit its audited financial statements to the Louisiana Legislative Auditor by the required deadline.

Effect: Noncompliance with Louisiana Revised Statute 24:513.

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

Recommendation: We recommend the School Board take necessary steps to ensure that future audits will be completed and submitted to the Louisiana Legislative auditor within the prescribed time period.

Views of responsible officials and corrective action plan: See accompanying “Corrective Action Plan”.

2022-002 Ethics Training

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: In accordance with Louisiana Revised Statutes, all employees are required to have one hour of ethics training annually.

Condition: We identified six (6) out of twenty-five (25) employees selected, did not obtain the one hour Louisiana ethics training.

Effect: Noncompliance with Louisiana Revised Statutes requiring ethics.

Cause: The School Board did not have procedures in place to ensure that all individuals meet the ethics requirement.

Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Recommendation: We recommend the School Board implement policies and procedures to properly ensure all employees obtain the required ethics training.

Views of responsible officials and corrective action plan: See accompanying “Corrective Action Plan”.

2022-003 OPEB Personnel Files

Entity-Wide or Program/Department Specific: This finding is specific to the OPEB liability for the school board.

Criteria or Specific Requirement: Information should be accounted for properly and supported by appropriate documentation in accordance with *Government Auditing Standards* and School Board policies and procedures.

Condition: During testing of a sample of active OPEB participants, we identified two employees where the date of hire was omitted when reported to the Office of Group Benefits, resulting in an incomplete Census. We also identified an incorrect date of birth reported in the Census for another active employee. Additionally, six exceptions were identified during testing of a sample of retired employees. Five exceptions were due to the School Board being unable to locate personnel files, and one retired employee showed a status of resigned.

Effect: The potential effect of these conditions relates to the OPEB calculation performed by the actuary. As the inputs driving the calculation for active employees are dates of birth and dates of hire. This could potentially understate the OPEB calculation if the data is incorrect or omitted. The inputs driving the retired employee’s calculation relate to the date of birth and the actual election coverage. The inability of the School Board to properly locate retired employee personnel files indicates potential errors in the OPEB calculation.

Cause: The cause of condition is a lack of oversight by management to properly review personnel data before submission to the Office of Group Benefits.

Recommendation: We recommend an annual review of all active and retired personnel files, along with a comparison of data prepared before submission to the Office of Group Benefits. We also recommend management review the Census before submission to the Actuary for the OPEB calculation.

Views of responsible officials and corrective action plan: See accompanying “Corrective Action Plan”.

Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

2022-004 Old Outstanding Checks

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Information should be accounted for properly and supported by appropriate documentation in accordance with *Government Auditing Standards* and School Board policies and procedures.

Condition: We identified a lack of reporting of old, outstanding checks for wages to unclaimed property during cash testing. Louisiana statutes requires wages or other compensation be remitted one year after the compensation becomes payable. CRI identified \$13,070 in outstanding wages dating back from 2008-2021 during our testing.

Effect: The effect of the condition for not remitting wages to unclaimed property results in noncompliance of state law.

Cause: Due to a lack of oversight by management when reviewing bank reconciliations.

Recommendation: We recommend remittance of all old, outstanding wages to unclaimed property. We also recommend monthly reviews by management of old, outstanding wages and other property, in order to identify this issue and remit to unclaimed property in a timely manner going forward.

Views of responsible officials and corrective action plan: See accompanying "Corrective Action Plan".

2022-005 Bond Continuing Disclosures

Entity-Wide or Program/Department Specific: This finding pertains to bond issuances.

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

Condition: District #1 General Obligation Bond, Series 2021 and District #4 General Obligation Bond, Series 2016 Official Statement includes continuing disclosure requirements that financial information be filed with Electronic Municipal Market Access (EMMA) no later than six months after the fiscal year end. The latest continuing disclosure shows a submission on August 17, 2021 related to the June 30, 2020 audited financial statements, with the June 30, 2021 not submitted or filed as of the date of the June 30, 2022 financial statements.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

The District #2 General Obligation Bond, Series 2021 and District #3 General Obligation Bond, Series 2021 Official Statement includes that certain financial information and operating data relating to the Issuer in each year no later than two hundred ten days (210) from the end of the Issuer's fiscal year. However, no filings have taken place, as the June 30, 2022 audit was not timely filed. Additionally, District #3 Refunding, Series 2020 Official Statement includes the Issuer shall not later than January 31st of each year, provide to the Municipal Securities Rulemaking Board ("MRSB") through Electronic Municipal Market Access ("EMMA") the Annual Report. The latest continuing disclosure shows a submission on August 17, 2021 related to the June 30, 2020 audited financial statements, with the June 30, 2021 not submitted or filed as of the date of the June 30, 2022 financial statements.

Effect: The School Board did not meet the compliance requirements per Louisiana Revised Statute (R.S.) 39:1438.

Cause: Management was relying on the bond attorney to do the filings and did not check to see that required filings were submitted in a timely manner.

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

Views of responsible officials and corrective action plan: See accompanying "Corrective Action Plan".

Section III – Federal Award Findings and Responses

None

Richland Parish School Board
Summary Schedule of Prior Year Audit Findings and Questioned Costs
For the Year Ended June 30, 2022

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

2021-001 Internal Controls over Financial Reporting

Year of origination: June 30, 2019.

Condition: Accounting records were not up to date, which hindered review of account balances and timeliness of financial reporting.

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

Status: Unresolved. See current year finding 2022-001.

2021-002 Bond Continuing Disclosures

Year of origination: June 30, 2021.

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

Corrective action taken: The Richland Parish School Board contacted the new bond counsel about this matter and took steps to ensure that they were in compliance with EMMA disclosure requirements.

Status: Unresolved. See current year finding 2022-005.

2021-003 Late Submission of the Audit Report to the Legislative Auditor

Year of origination: June 30, 2021.

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

Richland Parish School Board
Summary Schedule of Prior Year Audit Findings and Questioned Costs
For the Year Ended June 30, 2022

Corrective action taken: The Richland Parish School Board hired a certified staff member to assist the Business Manager in performing reconciliations and preparing audit information.

Status: Unresolved. See current year finding 2022-001.

Section III – Federal Award Findings and Responses

2021-004 Internal Controls Over Allowable Cost and Cost Principles

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

Year of origination: June 30, 2021.

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

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

Status: Resolved.

OFFICE OF
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SHELDON JONES, Superintendent
P. O. BOX 599
RAYVILLE, LOUISIANA 71269

Dr. Georgia
Ineichen
District 5
President

Chris Pruitt
District 9
Vice-President

Linda Jones
District 1

William Cleveland
District 2

Reed Trisler
District 3

James Hough
District 4

Marie Lewis
District 6

Scott McKay
District 7

Emily Ogden
District 8

**Corrective Action Plan
For the Year Ended June 30, 2022**

2022-001 Timely Filing of Audit Report

Condition: The School Board was not able to submit its audited financial statements to the Louisiana Legislative Auditor by the required deadline.

Corrective action plan: The Richland Parish School Board will continue to train staff and work with its auditors to ensure that future audited financial statements are submitted in a timely manner.

2022-002 Ethics Training

Condition: We identified six (6) out of twenty-five (25) employees selected, did not obtain the one hour Louisiana ethics training.

Corrective action plan: The School Board offers annual training to all employees, including substitutes and part time employees, and will seek to incorporate ethics training as part of that process.

2022-003 OPEB Personnel Files

Condition: During testing of a sample of active OPEB participants, we identified two employees where the date of hire was omitted when reported to the Office of Group Benefits, resulting in an incomplete Census. We also identified an incorrect date of birth reported in the Census for another active employee. Additionally, six exceptions were identified during testing of a sample of retired employees. Five exceptions were due to the School Board being unable to locate personnel files, and one retired employee showed a status of resigned.

Corrective action plan: The School Board submits annual earnings reports to the actuaries, along with the files from the Office of Group Benefits (OGB). School Board staff will also review the required reporting to OGB and update it annually.

OFFICE OF
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2022-004 Old Outstanding Checks

Condition: We identified a lack of reporting of old, outstanding checks for wages to unclaimed property during cash testing. Louisiana statutes requires wages or other compensation be remitted one year after the compensation becomes payable. CRI identified \$13,070 in outstanding wages dating back from 2008-2021 during our testing.

Corrective action plan: The School Board will follow up on these long, outstanding items.

2022-005 Bond Continuing Disclosures

Condition: District #1 General Obligation Bond, Series 2021 and District #4 General Obligation Bond, Series 2016 Official Statement includes continuing disclosure requirements that financial information be filed with Electronic Municipal Market Access (EMMA) no later than six months after the fiscal year end. The latest continuing disclosure shows a submission on August 17, 2021 related to the June 30, 2020 audited financial statements, with the June 30, 2021 not submitted or filed as of the date of the June 30, 2022 financial statements. The District #2 General Obligation Bond, Series 2021 and District #3 General Obligation Bond, Series 2021 Official Statement includes that certain financial information and operating data relating to the Issuer in each year no later than two hundred ten days (210) from the end of the Issuer's fiscal year. However, no filings have taken place, as the June 30, 2022 audit was not timely filed. Additionally, District #3 Refunding, Series 2020 Official Statement includes the Issuer shall not later than January 31st of each year, provide to the Municipal Securities Rulemaking Board ("MRSB") through Electronic Municipal Market Access ("EMMA") the Annual Report. The latest continuing disclosure shows a submission on August 17, 2021 related to the June 30, 2020 audited financial statements, with the June 30, 2021 not submitted or filed as of the date of the June 30, 2022 financial statements.

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



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Management Letter

Mr. Sheldon Jones, Superintendent
Members of the School Board
Richland Parish School Board
Rayville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Richland Parish School Board (the "School Board") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Richland Parish School Board's basic financial statements, and have issued our report thereon dated July 18, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Uniform Guidance.

As a part of our examination, we have issued our report on the financial statements, dated July 18, 2024, and our report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* and on compliance for each major program and internal control over compliance required by the Uniform Guidance dated July 18, 2024.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls:

MLC 2022-001 Student Activity Funds

Observation:

During testing of Student Activity Funds the business office was unable to provide support for six (6) transactions totaling \$1,138.42.

Recommendation:

We recommend management implement procedures to properly account and maintain adequate records for Student Activity Funds.

Views of responsible officials and corrective action plan:

Richland Parish School Board will continue to work with our school clerks to improve our documentation and record keeping systems.

MLC 2022-002 OPEB

Observation:

During testing of OPEB, CRI identified enrollment forms that did not adequately reflect coverages, dependents, and dates. The Payroll Department updates personnel files for any new changes; however, the changes do not coincide with information submitted to the Office of Group Benefits.

Recommendation:

We recommend management require all employees to complete a new form on an annual basis. We also recommend management implement a review process to ensure completeness of personnel files.

Views of responsible officials and corrective action plan:

Current Richland Parish School Board staff members have been more diligent in updating personnel files than in the past. Richland Parish School Board staff will review personnel files as time and resources allow.

MLC 2022-003 Prepaid Assets

Observation:

CRI identified a large balance in prepaid assets during testing, which is the result of an accumulation of prior years' 1% property tax remittances by the Sheriff to TRSL. The remittances can be used to reduce the pension liability.

Recommendation:

We recommend management utilize the balance available in prepaid assets to reduce the liability obligation related to pensions.

Views of responsible officials and corrective action plan:

RPSB management has been aware of this situation for some time and it has been properly accounted for and disclosed in the financial statements. In addition, RPSB has begun to use the available balance to satisfy retirement obligations in the current fiscal year.

We recommend management address the foregoing issues as an improvement to operations and the administration of public programs. We are available to further explain the suggestion or help implement the recommendation.

This report is intended solely for the information and use of the Superintendent and members of the School Board of the Richland Parish School Board, management, others within the School Board and the Louisiana Legislative Auditor; and is not intended to be, and should not be, used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

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

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 18, 2024



OTHER INFORMATION





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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board Members
Richland Parish School Board
Rayville, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the Richland Parish School Board for the fiscal year ended June 30, 2022; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the Richland Parish School Board is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

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

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

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1, 2021 roll books for those classes and observed that the class was properly classified on the schedule.

Comment: CRI identified 1 exception where the amount of students on a classroom roster did not agree to the amount of students reported to the Board of Elementary and Secondary Education. CRI also identified that the Class Size Characteristics (Schedule 2) did not agree to the LEA information provided.

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

3. We obtained October 1, 2021 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Comment: CRI identified 3 exceptions where the education level reported did not agree with the actual level of education.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2022 PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management)

Comment: CRI identified 8 exceptions where salaries reported did not agree to actual salaries paid. These exceptions appear to be systemic, and CRI considers the average salary data reported to be inaccurate.

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

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

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

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

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
July 18, 2024

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2022**

General Fund Instructional and Equipment Expenditures**General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$ 7,831,706	
Other Instructional Staff Activities	1,061,810	
Instructional Staff Employee Benefits	4,906,344	
Purchased Professional and Technical Services	167,643	
Instructional Materials and Supplies	452,930	
Total Teacher and Student Interaction Activities	<u>14,420,433</u>	\$ 14,420,433

Pupil Support Activities

Net Pupil Support Activities	<u>1,565,136</u>	1,565,136
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Instructional Staff Services

Net Instructional Staff Services	<u>378,722</u>	378,722
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School Administration

Net School Administration	<u>2,593,537</u>	2,593,537
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Total General Fund Instructional Expenditures		<u>\$ 18,957,828</u>
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Certain Local Revenue Sources**Local Taxation Revenue:**

Ad Valorem Taxes		
Constitutional Ad Valorem Taxes	\$ 2,214,660	
Renewable Ad Valorem Tax	2,184,927	
Up to 1% of Collections by the Sheriff on taxes other than School Taxes	194,714	
Sales and Use Taxes - Gross	7,929,764	
Total Local Taxation Revenue	<u>\$ 12,524,065</u>	

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 41,501	
Total Local Earnings on Investment in Real Property	<u>\$ 41,501</u>	

State Revenue in Lieu of Taxes:

Revenue Sharing-Constitutional Tax	\$ 92,010	
Revenue Sharing-Other Taxes	90,781	
Total State Revenue in Lieu of Taxes	<u>\$ 182,791</u>	

Nonpublic Textbook Revenue		<u>\$ 10,928</u>
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RICHLAND PARISH SCHOOL BOARD
Class Size Characteristics
As of October 1, 2021

School Type	Class Size Range							
	1 - 20		21-26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	64.5%	293	29.5%	134	5.9%	27	0.0%	0
Elementary Activity Classes	61.3%	38	25.8%	16	12.9%	8	0.0%	0
Middle/Jr. High	41.1%	65	46.2%	73	12.7%	20	0.0%	0
Middle/Jr. High Activity Classes	55.9%	19	29.4%	10	11.8%	4	2.9%	1
High	85.6%	516	12.9%	78	1.2%	7	0.3%	2
High Activity Classes	91.1%	102	7.1%	8	1.8%	2	0.0%	0
Combination	100.0%	1	0.0%	0	0.0%	0	0.0%	0



Richland Parish School Board

STATEWIDE AGREED-UPON PROCEDURES REPORT

June 30, 2022



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INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board Members and Management
Richland Parish School Board
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA’s) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Richland Parish School Board’s management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

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

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

Results: The School Board's policies do not address how vendors are added to the vendor list.

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

Results: The School Board's policies do not address disbursement processing.

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

Results: The School Board's policies do not address recording deposits or management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.

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

Results: The School Board's policies do not address reviewing and approving time and attendance records.

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

Results: There are no written policies for contracting.

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

Results: There are no written policies for credit cards.

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

Results: The School Board's policies do not address dollar thresholds by category of expense.

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

Results: The School Board's policies do not address the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, actions to be taken if an ethics violation takes place, the system to monitor possible ethics violations, or a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

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

Results: The School Board's policies do not address continuing disclosure/EMMA reporting requirements, debt reserve requirements, or debt service requirements.

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

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

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

Results: The School Board's policies do not address agency responsibilities and prohibitions, annual employee training, or annual reporting.

Board or Finance Committee

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

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

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

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or*

included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Results: Budget to actual comparisons on special revenue funds were not presented during the fiscal period.

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

Results: Based on our observation of the prior year audit report, the general fund did not have a negative unassigned fund balance.

Bank Reconciliations

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

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

Results: Two exceptions were identified where the reconciliation was not prepared within two months of the statement closing date.

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

Results: The reconciliations selected for this procedure did not have evidence of review by a member of management or board member.

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

Results: Two exceptions were identified where no evidence of research by management of reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections (excluding electronic funds transfers)

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

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

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

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

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

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

Results: The employees responsible for collecting cash at the selected collection locations are also responsible for preparing/making bank deposits.

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

Results: The employees responsible for collecting cash at the selected collection locations are also responsible for posting collection entries to the general ledger.

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

Results: The employees responsible for reconciling cash collections to the general ledger at the selected collection locations are also responsible for collecting cash, and there is no evidence of verification of the reconciliation by another employee.

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

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

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

a) Observe that receipts are sequentially pre-numbered.

Results: Two exceptions were identified where receipts were not sequentially pre-numbered.

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

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

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

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

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

Results: Two deposits subject to this procedure were not made within one business day of receipt.

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

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

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

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

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

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

employees about their job duties), and observe that job duties are properly segregated such that:

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

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

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

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

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

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

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

Results: For the locations selected, the employee/official responsible for signing checks or the employee responsible for processing payments also mails the payments.

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

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

Results: Two (2) exceptions were found where the disbursement did not match the related invoice.

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

Results: Eight (8) exceptions were found where only one person involved in initiating and approving the purchase. As noted above, there is a lack of segregation of duties in mailing payments.

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

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

Results: CRI obtained a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period and management's representation that the listing is complete.

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

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

Results: CRI identified that five (5) card statements had no evidence of being approved by someone other than the cardholder.

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

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

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: There were nine (9) instances where documentation of the business purpose was not documented, and two (2) instances where no itemized receipt was provided that identified precisely what was purchased.

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

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

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

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

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

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

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

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

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

Results: There was one exception where the reimbursement was not reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

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

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

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results: Management represented that the School Board did not initiate or renew any contracts/agreements during the fiscal period, as such, this procedure is not applicable.

Payroll and Personnel

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

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

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

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

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

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

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

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

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

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

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

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

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

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

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

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

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

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

Debt Service

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

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

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

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

Fraud Notice

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

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

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

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

Information Technology Disaster Recovery/Business Continuity

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

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

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

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

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

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

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

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

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

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

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

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

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

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

We were engaged by Richland Parish School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review

engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

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

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana

July 18, 2024

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July 17, 2024


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Re: Management's Response to Agreed-Upon Procedures

Management of Richland Parish School Board has reviewed the Independent Accountants' Report on Applying Agreed-Upon Procedures. We are in agreement with the report of Carr, Riggs & Ingram, LLC. Richland Parish School Board will add policies and procedures and implement changes as considered necessary and cost-beneficial to meet the expectations identified in the report and future agreed-upon procedures engagements.

Sincerely,



Sheldon Jones
Superintendent