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**POINTE COUPEE PARISH SCHOOL BOARD**

**NEW ROADS, LOUISIANA**

**ANNUAL FINANCIAL REPORT**

**YEAR ENDED JUNE 30, 2020**

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Postlethwaite & Netterville

A Professional Accounting Corporation

[www.pncpa.com](http://www.pncpa.com)

**POINTE COUPEE PARISH SCHOOL BOARD**

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## **INDEPENDENT AUDITORS' REPORT**

The Members of the  
Pointe Coupee Parish School Board  
New Roads, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish School Board (the School Board) as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2020, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, the schedule of changes in total other post-employment benefits liability and related ratios, the schedule of Pointe Coupee Parish School Board's proportionate share of the net pension liability, the schedule of Pointe Coupee Parish School Board's contributions to cost-sharing multi-employer defined benefit plans, and notes to required supplementary information presented on pages 4 through 11, pages 51 through 55, page 56, page 57, page 58, and pages 59 through 61, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining non-major governmental fund financial statements; the schedule of compensation paid to board members; the schedule of compensation, benefits, and other payments to the superintendent and the performance and statistical data, on pages 62 through 66, page 67, page 68, and pages 86 through 87, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and accompanying notes on pages 73 through 75 is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining non-major governmental fund financial statements; the schedule of compensation paid to board members; the schedule of compensation, benefits, and other payments to the superintendent; and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The information included in the performance and statistical data schedules is the responsibility of management and has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2021 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
March 26, 2021

POINTE COUPEE PARISH SCHOOL BOARD

NEW ROADS, LOUISIANA

REQUIRED SUPPLEMENTARY INFORMATION – Part I

MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

The Management's Discussion and Analysis of the Pointe Coupee Parish School Board's financial performance presents a narrative overview and analysis of Pointe Coupee Parish School Board's financial activities for the year ended June 30, 2020. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

**FINANCIAL HIGHLIGHTS**

- The Pointe Coupee Parish School Board's liabilities plus deferred inflows of resources exceeded its assets plus deferred outflows of resources at the close of fiscal year 2020 by \$40,558,919. Of this deficit net position, \$8,576,560 is either restricted or invested in capital assets and is unavailable for payment of ongoing obligations. The unrestricted net position reflects a deficit balance of \$49,135,479.
- Expenses exceeded revenue by \$886,988 on the accrual basis for the 2020 fiscal year, representing a decrease in the overall financial condition of the School Board.
- Ad valorem tax revenue decreased by approximately \$323,000, or 4% in comparison to fiscal year 2019 due to some large payers leaving the parish.
- Sales tax revenue increased by approximately \$331,000, or 5% in comparison to fiscal year 2019 due to increased sales activity within the parish.
- Minimum Foundation Program (MFP) revenue increased by approximately \$639,000, or 7% in comparison to fiscal year 2019 as a result of changes in student enrollment and legislative increases to the MFP formula.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information. The basic financial statements consist of two separate financial statements each of which provides a different perspective as described below:

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances in a manner similar to 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 these items reported as *net position*. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government'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 the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused sick leave).

Both government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

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

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions 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 available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains several individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sales Tax Fund, and School Food Service Fund, which are the School Board's major funds. The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements in this report.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

**Fiduciary funds.** Fiduciary Funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School Board's programs. The sole fiduciary fund of the School board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities.

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

**FINANCIAL ANALYSIS OF THE ENTITY**

Statements of Net Position  
as of June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 5,790,182	\$ 5,527,310
Certificate of deposit	186,796	184,933
Receivables	2,081,694	1,852,236
Inventory	127,964	110,761
Capital assets	8,510,032	9,161,152
Total assets	<u>16,696,668</u>	<u>16,836,392</u>
 Deferred outflows of resources	 <u>14,950,188</u>	 <u>11,992,771</u>
 <b>Liabilities</b>		
Accounts payable and accrued expenses	3,115,032	3,216,503
Long-term liabilities	1,747,398	2,185,621
Total other post-employment benefits liability	36,860,099	31,719,195
Net pension liability	27,361,939	27,797,422
Total liabilities	<u>69,084,468</u>	<u>64,918,741</u>
 Deferred inflows of resources	 <u>3,121,307</u>	 <u>3,582,353</u>
 <b>Net position</b>		
Net investment in capital assets	7,546,907	7,699,958
Restricted	1,029,653	1,234,294
Unrestricted (deficit)	(49,135,479)	(48,606,183)
Total net position	<u>\$ (40,558,919)</u>	<u>\$ (39,671,931)</u>

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

- Cash and certificates of deposit account for 35% and 33% of the total assets of the School Board as of June 30, 2020 and 2019, respectively. These assets increased from the prior year primarily due to decreased expenses toward the end of the school year. School Board operations were affected by the COVID-19 pandemic which began in March 2020. The pandemic resulted in quarantines and remote learning/working opportunities. See Note 19.
- Capital assets (reported net of accumulated depreciation), which account for 51% of the total assets of the School Board, decreased primarily due to recording of current year depreciation expense of \$686,367.
- Accounts payable and other accrued expense balances decreased approximately \$101,000, or 3% primarily as a result of the timing of when payments were remitted to vendors.
- Long-term liabilities experienced a net decrease of approximately \$438,000, or 20% primarily as a result of continued scheduled payments on the bonded debt.
- The total other post-employment benefits liability at June 30, 2020 increased approximately \$5,141,000 or 16% as a result of changes in assumptions regarding future benefits by the School Board's actuary. Also, the benefits continue to accrue but are not being funded by the School Board.
- Net pension liability decreased approximately \$435,000, or 2% as a result of changes in the valuation by the pension plan's actuary. The benefit is currently being funded by the School Board.
- Net position at June 30, 2020 shows a deficit of \$40,558,919. The deficit is primarily a result of the School Board reporting its proportionate share of unfunded pension liabilities of the Teachers Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS), and the reporting of its total other post-employment benefits liability.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

Statements of Revenues and Expenses  
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Program revenues		
Charges for services	\$ 94,898	\$ 256,163
Operating grants and contributions	6,912,442	7,496,855
General revenues		
Property taxes	8,041,902	8,365,022
Sales taxes	7,349,527	7,018,036
Earnings on Investments	26,950	34,490
Minimum Foundation Program	10,360,999	9,721,783
Other	178,803	252,818
	<u>32,965,521</u>	<u>33,145,167</u>
Expenses		
Regular education	10,473,610	9,966,785
Special and other education	6,392,557	6,492,870
Pupil support	1,649,909	1,598,822
Instructional staff	1,119,134	1,232,750
General administrative	1,348,630	1,183,057
School administrative	1,646,957	1,571,206
Business and central services	656,008	614,188
Plant operation and maintenance	3,218,259	3,182,080
Transportation	4,940,524	5,218,626
Charter schools	212,933	200,389
Food services	2,161,827	2,232,198
Interest expense	32,161	47,476
	<u>33,852,509</u>	<u>33,540,447</u>
Change in net position	<u>\$ (886,988)</u>	<u>\$ (395,280)</u>

**Revenues**

- Operating grants and contributions, which accounts for 21% of total revenues, decreased by approximately \$584,000 or 8% in 2020 predominantly due to decreased revenues in School Food Service program as a result of quarantine/virtual learning associated with the Covid-19 pandemic.
- Local tax revenues consist of sales and property taxes and are approximately 47% of total revenue. Tax revenues remained consistent with a slight increase of approximately \$8,000, or less than 1%. Sales taxes have increased as a result of sales activity, while property taxes have decreased as a result of the loss of some major industrial tax payers.
- Minimum Foundation Program (MFP) revenue increased by approximately \$639,000, or 7% in comparison to fiscal year 2019 as a result of adjustments in enrollment and legislative increases to the MFP formula.

**Expenses**

- Expenses overall remained consistent with a slight increase of approximately \$312,000, or less than 1%.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

**ANALYSIS OF INDIVIDUAL FUNDS**

- The majority of the School Board's financial activity occurs in the general fund. The fund balance at June 30, 2020, is \$4,041,951. This fund balance is a result of accumulated operating surpluses and deficits from the current and prior fiscal years and serves to sustain the system during periods of decreased revenue or major events.
- The Sales Tax Fund, which accounts for the proceeds of the one cent tax dedicated to salaries and benefits contains no fund balance and operated at a deficit. Transfers of \$195,510 were made from the General Fund during the year ended June 30, 2020 to cover the deficit.
- The School Food Service Fund, which accounts for the food grant program has a fund balance of \$826,273. The School Board is in the process of implementing a plan to decrease the fund balance associated with the program.
- The combined non-major funds have a fund balance of \$216,679, consisting primarily of the State Grants funds of \$144,184 and the Debt Service fund of \$45,774. The majority of the grant programs maintain minimal, if any, fund balance as these funds account for reimbursement driven programs.

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

There was one budget amendment adopted during the fiscal year. The General Fund, Sales Tax Fund, and School Food Service Fund with actual revenues of \$22,260,253, \$3,612,075, and \$1,730,151, respectively, operated within the available resources.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2020, the Pointe Coupee Parish School Board had \$8,510,032 invested in a broad range of capital assets, including land, building, and equipment. (See table below.) This amount represents a net decrease (including additions and deductions) of approximately \$651,000 or 7%, over last year. The decrease is primarily attributed to depreciation. No major capital improvements were made during fiscal 2020.

Capital Assets at June 30, 2020 and 2019  
(Net of Accumulated Depreciation)

	<u>2020</u>	<u>2019</u>
Land and land improvements	\$ 947,493	\$ 951,291
Construction in progress	54,000	54,000
Buildings and improvements	6,830,872	7,342,073
Machinery and equipment	<u>677,667</u>	<u>813,788</u>
Totals	<u>\$ 8,510,032</u>	<u>\$ 9,161,152</u>

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

**Long-term liabilities**

The School Board's long-term liabilities consists of bonds payable, the liability for compensated absences, claims and judgments, and obligations under capital leases (see table below).

**Long-Term Liabilities at June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Bonds payable	\$ 947,647	\$ 1,440,359
Claims and judgments	212,185	223,069
Obligations under capital lease	-	2,069
Compensated absences	<u>587,566</u>	<u>520,124</u>
	<u>\$ 1,747,398</u>	<u>\$ 2,185,621</u>

Bonds payable decreased as a result of scheduled principal payments according to the bond documents.

The liability for future retiree health benefits is significant, and will continue to increase unless plan changes are enacted. The net pension liability, although quite large, is being repaid through the monthly contributions to the Teachers' Retirement and School Employees' Retirement Systems as required by State law.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The School Board's 2020-2021 operations will likely be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. The world-wide pandemic associated with COVID-19 has spread across the state of Louisiana, including the parish of Pointe Coupee. COVID-19 has had an impact on the operations of the School Board. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in an adverse impact on the School Board's subsequent financial statements. Possible effects may include, but not limited to, decrease in sales tax revenue, decrease or no growth of student count, increased expenditures to provide cleaning and disinfecting, proper social distancing, and remote learning devices and programs.

For 2020-2021, cost containment budget measures were implemented in order to adopt a balanced budget. Ad Valorem tax revenues are projected to remain stagnant, and sales tax revenues are budgeted to have a slight decrease. The School Board has prepared a breakeven budget for the 2020-2021 fiscal year.

The Pointe Coupee Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- MFP revenue funded by the State of Louisiana reflects a decrease in student enrollment and decreased state cost allocation mainly due to local revenue adjustment. This results in a 3% decrease in MFP revenue.
- Health insurance costs are expected to increase 5% effective January 1, 2021.
- Transportation costs are expected to decrease approximately 12%.
- Expenditures have been budgeted for retirement cost needed to meet requirements mandated by the State law.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

**CONTACTING THE POINTE COUPEE PARISH SCHOOL BOARD'S MANAGEMENT**

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Stephen Langlois, Chief Financial Officer, Pointe Coupee Parish School Board, P.O. Box 579, New Roads, LA 70760-0579, 225-638-8674.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

**ASSETS**

Cash and cash equivalents	\$ 5,790,182
Certificate of deposit	186,796
Receivables:	
Sales tax	744,516
Due from other governments	1,337,178
Inventory	127,964
Capital assets, not being depreciated:	841,734
Capital assets, net of accumulated depreciation	7,668,298
TOTAL ASSETS	<u>16,696,668</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred pension contributions	3,353,075
Deferred amounts related to other post-employment benefits liability	9,402,612
Deferred amounts related to net pension liability	2,194,501
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>14,950,188</u>

**LIABILITIES**

Accounts payable and accrued expenses	3,115,032
Long-term liabilities:	
Due within one year	340,572
Due in more than one year	1,406,826
Total other post-employment benefits liability - due within one year	2,000,000
Total other post-employment benefits liability - due in more than one year	34,860,099
Net pension liability	27,361,939
TOTAL LIABILITIES	<u>69,084,468</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred amounts related to net pension liability	3,121,307
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>3,121,307</u>

**NET POSITION**

Net investment in capital assets	7,546,907
Restricted for:	
Debt service	32,475
Federal and State Grant Programs and Capital Projects	997,178
Unrestricted	(49,135,479)
TOTAL NET POSITON	<u>\$ (40,558,919)</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Changes in Net</u>
			<u>Contributions</u>	<u>Position</u>
				<u>Governmental</u>
				<u>Activities</u>
Instruction:				
Regular education programs	\$ 10,473,610	\$ -	\$ 1,742,364	\$ (8,731,246)
Special education programs	2,329,982	-	385,556	(1,944,426)
Other education programs	4,062,575	-	666,629	(3,395,946)
Support Services:				
Pupil support services	1,649,909	88,193	270,734	(1,290,982)
Instructional staff services	1,119,134	-	185,190	(933,944)
General administration services	1,348,630	-	223,166	(1,125,464)
School administration services	1,646,957	-	272,532	(1,374,425)
Business and central services	656,008	-	108,553	(547,455)
Plant operation and maintenance	3,218,259	-	535,543	(2,682,716)
Transportation	4,940,524	-	817,535	(4,122,989)
Appropriation:				
Charter schools	212,933	-	-	(212,933)
Food services	2,161,827	6,705	1,704,640	(450,482)
Interest Expense	32,161	-	-	(32,161)
Total Governmental Activities	33,852,509	94,898	6,912,442	(26,845,169)
General Revenues				
Taxes:				
Ad valorem taxes				8,041,902
Sales and use taxes				7,349,527
Grants and contributions not restricted to specific purposes:				
Minimum foundation program				10,360,999
Interest and investment earnings				26,950
Miscellaneous				178,803
Total general revenues				25,958,181
Change in Net Position				(886,988)
Net Position - July 1, 2019				(39,671,931)
Net Position - June 30, 2020				\$ (40,558,919)

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2020**

	General	Sales Tax	School Food Service	Other Non-Major	Total
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 4,815,262	\$ -	\$ 902,425	\$ 72,495	\$ 5,790,182
Certificate of deposit	186,796	-	-	-	186,796
Receivables					
Sales tax	372,258	372,258	-	-	744,516
Due from other governments	113,409	-	-	1,223,769	1,337,178
Due from other funds	1,748,856	-	-	144,184	1,893,040
Inventory	-	-	127,964	-	127,964
<b>TOTAL ASSETS</b>	<b>\$ 7,236,581</b>	<b>\$ 372,258</b>	<b>\$ 1,030,389</b>	<b>\$ 1,440,448</b>	<b>\$ 10,079,676</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$ 1,136,297	\$ -	\$ 115	\$ 22,912	\$ 1,159,324
Claims payable	55,367	-	-	-	55,367
Salaries and benefits payable	1,887,042	-	-	-	1,887,042
Due to other funds	115,924	372,258	204,001	1,200,857	1,893,040
<b>TOTAL LIABILITIES</b>	<b>3,194,630</b>	<b>372,258</b>	<b>204,116</b>	<b>1,223,769</b>	<b>4,994,773</b>
Fund balances:					
Nonspendable	-	-	127,964	-	127,964
Spendable:					
Restricted	-	-	698,309	216,679	914,988
Unassigned	4,041,951	-	-	-	4,041,951
<b>TOTAL FUND BALANCES</b>	<b>4,041,951</b>	<b>-</b>	<b>826,273</b>	<b>216,679</b>	<b>5,084,903</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,236,581</b>	<b>\$ 372,258</b>	<b>\$ 1,030,389</b>	<b>\$ 1,440,448</b>	<b>\$ 10,079,676</b>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

Total Fund Balances at June 30, 2020 - Governmental Funds		\$	5,084,903
Cost of capital assets at June 30, 2020	\$	25,415,357	
Less: Accumulated Depreciation as of June 30, 2020		<u>(16,905,325)</u>	8,510,032
Accrued interest on long-term debt			(13,299)
Long-term liabilities at June 30, 2020:			
Bonds payable	\$	(947,647)	
Claims & judgments payable		(212,185)	
Compensated absences payable		<u>(587,566)</u>	<u>(1,747,398)</u>
Other post-employment benefit obligation balances in accordance with GASB 75			
Deferred outflow of resources			
- related to total other post-employment benefits liability	\$	9,402,612	
Total other post-employment benefit liability		<u>(36,860,099)</u>	<u>(27,457,487)</u>
Net pension obligation balances in accordance with GASB 68			
Deferred outflow of resources - deferred pension contributions	\$	3,353,075	
Deferred outflow of resources - related to net pension liability		2,194,501	
Net pension liability		(27,361,939)	
Deferred inflow of resources - related to net pension liability		<u>(3,121,307)</u>	<u>(24,935,670)</u>
Total net position at June 30, 2020 - Governmental Activities			<u>\$ (40,558,919)</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General	Sales Tax	School Food Service	Other Non-Major	Total
<b><u>REVENUES</u></b>					
Local sources:					
Ad valorem taxes	\$ 8,041,902	\$ -	\$ -	\$ -	\$ 8,041,902
Sales and use taxes	3,737,452	3,612,075	-	-	7,349,527
Earnings on investments	22,200	-	822	3,928	26,950
Food sales	-	-	6,705	-	6,705
Other	101,058	-	17,984	11,910	130,952
State sources:					
Minimum foundation program (MFP)	10,163,022	-	50,000	147,977	10,360,999
Revenue sharing	136,047	-	-	-	136,047
Restricted grants-in-aid	42,630	-	-	918,917	961,547
Other	2,302	-	-	-	2,302
Federal grants	13,640	-	1,654,640	4,280,313	5,948,593
<b>TOTAL REVENUES</b>	<b>22,260,253</b>	<b>3,612,075</b>	<b>1,730,151</b>	<b>5,363,045</b>	<b>32,965,524</b>
<b><u>EXPENDITURES</u></b>					
Current:					
Instruction:					
Regular education programs	8,063,345	1,800,530	-	49,102	9,912,977
Special education programs	1,343,228	360,188	-	547,207	2,250,623
Other education programs	750,629	139,013	-	3,154,440	4,044,082
Support:					
Pupil support services	1,110,268	174,060	-	366,530	1,650,858
Instructional staff services	272,293	109,610	-	665,300	1,047,203
General administration services	1,076,831	155,025	-	77,418	1,309,274
School administration services	1,345,459	243,664	-	2,924	1,592,047
Business and central services	466,835	132,183	-	8,032	607,050
Plant operation and maintenance	2,362,971	150,181	-	26,886	2,540,038
Transportation	4,061,422	278,826	-	262,840	4,603,088
Food services	-	264,305	1,761,840	12,335	2,038,480
Appropriation:					
Charter schools	212,933	-	-	-	212,933
Facility acquisition and construction	19,131	-	-	-	19,131
Debt service - principal	221,000	-	-	275,000	496,000
Debt service - interest	23,101	-	-	8,937	32,038
<b>TOTAL EXPENDITURES</b>	<b>21,329,446</b>	<b>3,807,585</b>	<b>1,761,840</b>	<b>5,456,951</b>	<b>32,355,822</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 930,807</b>	<b>\$ (195,510)</b>	<b>\$ (31,689)</b>	<b>\$ (93,906)</b>	<b>\$ 609,702</b>

(continued)

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Sales Tax</u>	<u>School Food Service</u>	<u>Other Non-Major</u>	<u>Total</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
Transfers out	\$ (245,121)	\$ -	\$ -	\$ (82,211)	\$ (327,332)
Transfers in	<u>131,822</u>	<u>195,510</u>	<u>-</u>	<u>-</u>	<u>327,332</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(113,299)</u>	<u>195,510</u>	<u>-</u>	<u>(82,211)</u>	<u>-</u>
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u></b>	817,508	-	(31,689)	(176,117)	609,702
Fund balances, June 30, 2019	<u>3,224,443</u>	<u>-</u>	<u>857,962</u>	<u>392,796</u>	<u>4,475,201</u>
FUND BALANCES, JUNE 30, 2020	<u>\$ 4,041,951</u>	<u>\$ -</u>	<u>\$ 826,273</u>	<u>\$ 216,679</u>	<u>\$ 5,084,903</u> (concluded)

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS -**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses - Total Governmental Funds		\$	609,702
Capital Assets:			
Capital outlay and other expenditures capitalized	\$	35,941	
Loss on disposal of property		(694)	
Depreciation expense		<u>(686,367)</u>	(651,120)
Long Term Liabilities:			
Principal portion of debt service payments	\$	498,069	
Change in compensated absences payable		(67,442)	
Change in claims payable and judgments		10,884	
Change in accrued interest on long-term debt		3,165	
Bond discount current amortization		<u>(3,288)</u>	441,388
Change in other post-employment benefits liability and deferred outflows in accordance with GASB 75			(1,954,066)
Change in net pension liability and deferred inflows and outflows in accordance with GASB 68			<u>667,108</u>
Change in Net Position - Governmental Activities		\$	<u><u>(886,988)</u></u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2020**

	<u>Agency Funds</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents - School Activity Accounts	<u>\$    345,759</u>
TOTAL ASSETS	<u>          345,759</u>
<b><u>LIABILITIES</u></b>	
Amounts held for others	<u>          345,759</u>
TOTAL LIABILITIES	<u>\$    345,759</u>

The accompanying notes are an integral part of this statement.

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Pointe Coupee Parish School Board (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 standards-setting body for establishing governmental accounting and financial reporting principles.

##### A. FINANCIAL REPORTING ENTITY

The Pointe Coupee Parish School Board was created by Louisiana Revised Statute LSA-R S 17:51 to provide public education in Pointe Coupee 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 eight members who are elected from eight districts for terms of four years.

The School Board operates six schools within the parish with a total enrollment of approximately 3,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education programs. In addition, the School Board provides transportation and school food services for the students.

The Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions, 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 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

##### B. BASIS OF PRESENTATION AND ACCOUNTING

###### Government-Wide Financial Statements (GWFS)

The Government-Wide Financial Statements present all non-fiduciary activities of the School Board and are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Sales taxes are recognized when the underlying sales transactions occur and property taxes are recognized when a legally enforceable claim arises. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### B. BASIS OF PRESENTATION AND ACCOUNTING (continued)

###### Government-Wide Financial Statements (continued)

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. This Statement of Activities demonstrates the degree to which direct expenses of a given function are offset by 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.

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.

###### Fund Financial Statements (FFS)

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. Funds are maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into two categories: governmental and fiduciary. 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 activities that are financed with taxes or intergovernmental support, including the acquisition or construction of fixed assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

**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.

**Sales Tax Fund** is used to account for financial resources to be used for salaries and benefits from sales and uses taxes approved in 1999.

**School Food Service Fund** is used to account for financial resources to be used for the School Board's food service program.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

B. **BASIS OF PRESENTATION AND ACCOUNTING** (continued)

**Governmental Funds** (continued)

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 6 months after year-end, or within 60 days after year-end for property taxes. 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 current net position. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

**Ad valorem taxes** are recognized when a legally enforceable claim arises (generally when levied) and the resources are available.

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

**Entitlements and shared revenues** (which include the state Minimum Foundation Program revenue, state revenue sharing, and federal and state grants) 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 and benefits** are recorded as earned. Salaries for nine-month employees are accrued at June 30.

**Vendor payments** are recorded as the obligation is incurred.

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. BASIS OF PRESENTATION AND ACCOUNTING** (continued)

**Governmental Funds** (continued)

**Expenditures** (continued)

**Other Financing Sources (Uses)** consist of transfers between funds that are not expected to be repaid, capital lease transactions, sales of fixed assets, debt extinguishments, and long-term debt proceeds, and are recognized at the time the underlying events occur.

**Fiduciary Funds**

**An Agency Fund** is a Fiduciary Fund which is custodial in nature (assets equal liabilities) and does not present results of operations or have a measurement focus. This fund is used to account for assets that the government holds for others in the agency capacity. The agency fund consists of the school activity accounts which accounts for assets held by the School Board as an agent for the individual schools and school organizations. Agency funds are accounted for on the accrual basis of accounting.

**C. CASH AND INVESTMENTS**

Cash consists of demand deposits. Time deposits and those investments with original maturities of 90 days or less are categorized as cash.

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 are generally restricted to debt securities backed by the U.S. Government or its agencies, and debt securities of Louisiana state and local governments.

**D. 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 governmental funds balance sheet, and are considered to be short-term interfund loans. All interfund transactions for which no intent or ability for repayment exists are treated as transfers.

**E. 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 and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### F. INVENTORY

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 received; however, all inventory items are recorded as expenditures when used. 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.

##### G. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The School Board maintains a \$5,000 threshold level for capitalizing assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All depreciable capital assets are depreciated using the straight-line method over their estimated lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 3 to 20 years for equipment and computer software; and 40 years for buildings and improvements.

##### H. COMPENSATED ABSENCES

All 12-month employees earn up to ten days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated up to 40 days. Upon separation, all unused vacation is paid to the employee.

All School Board employees earn a certain amount of sick leave each year, depending upon the length of service and employment status. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days for 9-11 month employees and up to 37 days for 12 month employees 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 computation as earned service.

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

Accounting standards provide 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.

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### H. COMPENSATED ABSENCES (continued)

Accounting standards further provide 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.
- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach.

##### I. PENSION PLANS

The Pointe Coupee Parish School Board is a participating employer in two defined benefit pension plans (plans) as described in Note 5. 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 each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

##### J. NEWLY ADOPTED ACCOUNTING STANDARDS

Certain accounting and other changes were initially planned, however; the School Board applied GASB Statement No. 95 *Postponement of the Effective Dates of Certain Authoritative Guidance* which delayed implementation of GASB Statement No. 84 *Fiduciary Activities*, which was initially scheduled to be effective for the fiscal year ended June 30, 2020.

##### K. RESTRICTED NET POSITION

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

Externally imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments; or

Imposed by law through constitutional provisions or enabling legislation.

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

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### L. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable - represent balances that are not expected to be converted to cash.

Spendable

Restricted - represent balances where constraints have been established by parties outside of the School Board or by enabling legislation.

Committed - represent balances where constraints have been established by formal action of the School Board. A simple majority vote in a public meeting is required to establish, modify, or rescind a fund balance commitment.

Assigned - represent balances where informal constraints have been established by the School Board or committee or delegate thereof, but are not restricted nor committed.

Unassigned - represent balances for which there are no constraints.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

##### M. SALES AND USE TAXES

The voters of Pointe Coupee Parish authorized the School Board to levy and collect two separate sales and use taxes. Revenues generated by the two taxes must be used exclusively to supplement other revenues available to the School Board for the following purposes:

- 1% Sales and Use Tax - permanent tax levied for the Pointe Coupee Parish School Board, approved September 30, 1967, to be used for salaries of teachers and/or for the general operation of the schools of Pointe Coupee Parish.
- 1% Sales and Use Tax - tax levied for the Pointe Coupee Parish School Board, originally approved November 20, 1999 to be used for salary and benefits. The Board's policy is to use 75% of the proceeds for salary and benefits for certified teachers and the remaining 25% for salary and benefits for non-certified teachers and support personnel of Pointe Coupee Parish.

The receipt and expenditure of the sales and use taxes adopted in 1967 are included in the operations of the General Fund. The sales and use taxes adopted in 1999 are recorded in the Sales Tax Fund.

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### N. 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.

##### O. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two types of items that qualify for reporting in this category. It has deferred outflows of resources related to pension contributions and deferred outflows of resources related to the net pension liability. See Note 5 for additional information on deferred outflows of resources related to defined benefit pension plans. The School Board also has deferred outflows of resources related to total other post-employment benefit liability. See Note 6 for additional information on deferred outflows of resources related to the total post-employment benefit liability.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has one item that qualifies for reporting in this category. It has deferred inflows of resources related to the net pension liability. See Note 5 for additional information on deferred inflows of resources related to defined benefit pension plans.

#### 2. AD VALOREM TAXES

The School Board levies taxes on real and business personal property located within Pointe Coupee Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Pointe Coupee Parish Tax Assessor, except for public utility property which is assessed by the Louisiana Tax Commission. Assessed values are approved by the Louisiana Tax Commission. The Pointe Coupee Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Millage rates adopted

Levy date

Tax bills mailed

Due date

Lien date

Collection date

Tax Sale Date – 2019 Delinquent Property

##### Property Tax Calendar

May, 2019

October, 2019

October, 2019

December 31, 2019

January 1, 2020

May, 2020

May, 2020

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 2. AD VALOREM TAXES (continued)

Total assessed value was \$515,673,079 in calendar year 2019. 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 \$41,448,081 of the assessed value in calendar year 2019.

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.

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 to the extent available.

A summary of the various taxes levied for 2020 is as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund (parish-wide taxes)			
Constitutional School Tax	4.54	4.54	N/A
Support	11.96	11.96	2020 *
Debt Service			
District 10	general obligation	0.00	2022

\* - renewed for an additional ten years in November 2019 election

In August 2020, the citizens of Point Coupee Parish, by special election, authorized the School Board to levee and collect a special tax of 9.5 mills on all property subject to taxation within the Parish of Pointe Coupee, State of Louisiana, annually for a period of ten (10) years commencing with the year 2020 and ending with the year 2029, for the purposes of giving additional support for public elementary and secondary schools within the Parish.

#### 3. DEPOSITS AND INVESTMENTS

The carrying amount of the School Board's deposits with financial institutions was \$6,322,737 and the bank balance was \$7,315,704 at June 30, 2020. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk for deposits is the risk that in the event of financial institution failure, the School Board's deposits may not be returned. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. The School Board had no custodial credit risk as of June 30, 2020.

# **POINTE COUPEE PARISH SCHOOL BOARD**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

### **3. DEPOSITS AND INVESTMENTS (continued)**

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts. The School Board currently owns no investment securities.

The School Board's investment in a certificate of deposit is recorded at cost.

Interest Rate Risk – The School Board's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Under Louisiana R.S. 33:2955, as amended, the School Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute. The System's investment policy does not further limit its investment choices.

Concentration of Credit Risk – The School Board's investment policy does not limit the amount the School System may invest in any one issuer.

### **4. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2020 are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Capital assets not depreciated:</u>				
Land	\$ 787,734	\$ -	\$ -	\$ 787,734
Construction-in-progress	54,000	-	-	54,000
Total capital assets, not depreciated	<u>841,734</u>	<u>-</u>	<u>-</u>	<u>841,734</u>
<u>Capital assets being depreciated</u>				
Land improvements	633,742	12,000	-	645,742
Buildings and improvements	22,021,651	5,306	-	22,026,957
Machinery and equipment	1,889,547	18,635	( 7,258)	1,900,924
Total capital assets, being depreciated	<u>24,544,940</u>	<u>35,941</u>	<u>( 7,258)</u>	<u>24,573,623</u>
Total capital assets, at cost	<u>25,386,674</u>	<u>35,941</u>	<u>( 7,258)</u>	<u>25,415,357</u>
<u>Less accumulated depreciation</u>				
Land improvements	470,185	15,798	-	485,983
Buildings and improvements	14,679,578	516,507	-	15,196,085
Machinery and equipment	1,075,759	154,062	( 6,564)	1,223,257
Total accumulated depreciation	<u>16,225,522</u>	<u>686,367</u>	<u>( 6,564)</u>	<u>16,905,325</u>
Total capital assets being depreciated (net)	<u>8,319,418</u>	<u>( 650,426)</u>	<u>( 694)</u>	<u>7,668,298</u>
Total capital assets (net)	<u>\$ 9,161,152</u>	<u>(\$ 650,426)</u>	<u>(\$ 694)</u>	<u>\$ 8,510,032</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

4. **CAPITAL ASSETS** (continued)

Depreciation expense of \$686,367 for the year ended June 30, 2020 was charged to the following governmental functions:

Regular education programs	\$ 53,445
Special education programs	12,134
Other education programs	21,803
Pupil support services	8,900
Instructional staff services	5,646
General administrative services	7,059
School administration services	8,583
Business and central services	3,273
Plant operation and maintenance	529,716
Transportation	24,817
Food services	10,991
	<u>\$ 686,367</u>

5. **RETIREMENT SYSTEMS**

The Pointe Coupee Parish School Board (the School Board) is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by two public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS) (the Systems). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

TRSL:  
8401 United Plaza Blvd.  
P. O. Box 94123  
Baton Rouge, Louisiana 70804-9123  
(225) 925-6446  
[www.trsl.org](http://www.trsl.org)

LSERS:  
8660 United Plaza Blvd.  
Baton Rouge, LA 70804  
(225) 925-6484  
[www.lsers.net](http://www.lsers.net)

**Plan Descriptions:**

**Teachers' Retirement System of Louisiana (TRSL)**

The Teachers' Retirement System of Louisiana (TRSL) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in LRS 11:701. Eligibility for retirement benefits for these plans and the calculation of retirement benefits are provided for in LRS 11:761.

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

**Louisiana School Employees' Retirement System (LSERS)**

The Louisiana School Employees' Retirement System (LSERS) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to school employees as defined in LRS 11:1002. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:1141.

**Cost of Living Adjustments**

The pension plans in which the School System participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to these systems, (TRSL and LSERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to funded status and interest earnings.

**Funding Policy**

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 (PRSAC). In accordance with state statute, TRSL receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2020, for the School Board and covered employees were as follows:

	<u>School Board</u>	<u>Employees</u>
Teachers' Retirement System (TRSL):		
Regular Plan	26.00%	8.00%
Plan A	26.00%	9.10%
School Employees' Retirement System (LSERS)	29.40%	7.50% - 8.00%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Teachers' Retirement System	\$ 3,232,222	\$ 3,372,680	\$ 3,483,231
School Employees' Retirement System	120,849	115,802	314,972

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

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

The following schedule lists the School Board's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the June 30, 2019 measurement date. The School Board uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2020 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2019 along with the change compared to the June 30, 2018 rate. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	Net Pension Liability at June 30, 2019	Rate at June 30, 2019	Increase (Decrease) to June 30, 2018 Rate
Teachers' Retirement System	\$ 26,127,534	0.0026%	-0.00008%
School Employees' Retirement System	1,234,405	0.0018%	0.00010%
	<u>\$ 27,361,939</u>		

The School Board's proportionate share of pension expense for the year ended June 30, 2020 was as follows:

Teachers' Retirement System	\$ 2,430,357
School Employees' Retirement System	<u>255,610</u>
	<u>\$ 2,685,967</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

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

At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (847,261)
Changes of assumptions	1,893,244	-
Net difference between projected and actual earnings on pension plan investments	47,488	(986,279)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	44,907	(1,287,767)
Differences between allocated and actual contributions	208,862	-
Employer contributions subsequent to the measurement date	3,353,075	-
Total	<u>\$ 5,547,576</u>	<u>\$ (3,121,307)</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Teachers' Retirement System	\$ 5,237,935	\$ (3,045,490)
School Employees' Retirement System	309,641	(75,817)
	<u>\$ 5,547,576</u>	<u>\$ (3,121,307)</u>

The School Board reported a total of \$3,353,075 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2020. The following schedule lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Teachers' Retirement System	\$ 3,232,224
School Employees' Retirement System	120,851
	<u>\$ 3,353,075</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

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

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

Year	TRSL	LSERS	Total
2020	(\$ 374,105)	\$ 83,829	(\$ 290,276)
2021	( 871,971)	( 8,666)	( 880,637)
2022	76,892	21,646	98,538
2023	129,403	16,170	145,573
	<u>(\$ 1,039,781)</u>	<u>\$ 112,979</u>	<u>(\$ 926,802)</u>

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2019 are as follows:

	TRSL	LSERS
<b>Valuation Date</b>	June 30, 2019	June 30, 2019
<b>Actuarial Cost Method</b>	Entry Age Normal	Entry Age Normal
<b>Actuarial Assumptions:</b>		
<b>Expected Remaining</b>		
<b>Service Lives</b>	5 years	3 years
<b>Investment Rate of Return</b>	7.55% net of investment expenses	7.00% net of pension plan investment expense, including inflation

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

**Actuarial Assumptions** (continued)

	<b>TRSL</b>	<b>LSERS</b>
<b>Inflation Rate</b>	2.50% per annum	2.50% per annum
<b>Mortality</b>	<p>Active members – RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.</p> <p>Non-Disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.</p> <p>Disability retiree mortality – RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.</p> <p>These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.</p>	<p>Mortality rates based on the RP-2014 Healthy Annuitant Tables, RP-2014 Sex Distinct Employee Table, and RP-2014 Sex Distinct Disabled Tables.</p>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

**Actuarial Assumptions** (continued)

	<b>TRSL</b>	<b>LSERS</b>
<b>Termination, Disability, and Retirement</b>	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.	
<b>Salary Increases</b>	3.3% - 4.8% varies depending on duration of service	Salary increases were projected based on the 2013-2017 experience study of the Plan's members set at 3.25%.
<b>Cost of Living Adjustments</b>	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

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

<b>TRSL</b>	<b>LSERS</b>
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.48% for 2019.	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, of 2%, and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return is 8.76%.

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2019:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Cash	-	-	-	-
Domestic equity	27.00%	-	4.60%	-
International equity	19.00%	-	5.70%	-
Equity	-	39.00%	-	2.93%
Domestic fixed income	13.00%	-	1.69%	-
International fixed income	5.50%	-	2.10%	-
Fixed income	-	26.00%	-	1.07%
Alternatives	-	17.00%	-	1.43%
Private equity	25.50%	-	8.67%	-
Other private equity	10.00%	-	3.65%	-
Risk parity	-	-	-	-
Real estate	-	12.00%	-	0.73%
Real assets	-	6.00%	-	0.60%
Total	100.00%	100.00%		
Inflation				
Expected Arithmetic Nominal Return				
n/a - amount not provided by Retirement System				

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

5. **RETIREMENT SYSTEMS** (continued)

***Discount Rate***

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 the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL and LSERS was 7.55% and 7.00%, respectively, for the year ended June 30, 2020.

**Sensitivity of the Employer'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 Retirement System as well as what the School Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Rates	6.55%	7.55%	8.55%
PCPSB Share of NPL	\$ 34,779,487	\$ 26,127,534	\$ 18,835,259
LSERS			
Rates	6.00%	7.00%	8.00%
PCPSB Share of NPL	\$ 1,672,866	\$ 1,234,405	\$ 859,582

**Payables to the Pension Plan**

The Pointe Coupee Parish School Board had amounts payable to the TRSL of \$943,172 and to LSERS of \$19,903 at June 30, 2020.

## POINTE COUPEE PARISH SCHOOL BOARD

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### 6. POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS

##### **General Information about the OPEB Plan**

*Plan description* – The Pointe Coupee Parish School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The Pointe Coupee Parish School Board's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The School Board has the authority to establish and/or amend the obligation of the employer, employees and retirees as provided by Louisiana Revised Statute Title 17 Sections 1221 through 1224. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

*Benefits Provided* – Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and offer multiple retiree plan options. The OGB "Medicare Advantage" plan has been assumed as an alternative to those employees after Medicare eligibility for purposes of this valuation, and we have assumed that 12.5% of post-Medicare eligibility retirees elect that plan. Medical benefits are provided to employees upon actual retirement from one of the retirement systems.

*Retiree Premiums* – Retire premiums were provided directly from OGB and were used to determine retiree cost projections. The "value of benefits" has been assumed to be the portion of the premium after the retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The active employees and pre-Medicare and Medicare rates are offered multiples and were actuarially determined and were unblended.

Life insurance coverage under the OGB program is available to retirees by election. The employer pays 50% of the "cost" of the retiree life insurance, but based on the blended rates. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

*Employees covered by benefit terms* – The June 30, 2020 total OPEB liability was determined using the July 1, 2019 actuarial valuation that included the following employees covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	268
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>241</u>
	<u>509</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**6. POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS** (continued)

**Total OPEB Liability**

The School Board's total OPEB liability of \$36,860,099 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0% annually
Discount rate	3.50% annually (Beginning of Year to Determine ADC) 2.21% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for 10 years, 4.5% after
Mortality	RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2020.

**Changes in the Total OPEB Liability**

Balance at June 30, 2019	\$ 31,719,195
Changes for the year:	
Service cost	329,541
Interest	1,076,991
Differences between expected and actual experience	1,514,186
Changes in assumptions	4,116,218
Benefit payments and net transfers	(1,896,032)
Net changes	5,140,904
Balance at June 30, 2020	\$ 36,860,099

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

6. **POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS** (continued)

**Changes in the Total OPEB Liability** (continued)

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	<b>1.0% Decrease (1.21%)</b>	<b>Current Discount Rate (2.21%)</b>	<b>1.0% Increase (3.21%)</b>
Total OPEB liability	\$ 43,836,643	\$ 36,860,099	\$ 31,415,820

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	<b>1.0% Decrease (4.5%)</b>	<b>Current Trend (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB liability	\$ 32,993,145	\$ 36,860,099	\$ 41,777,792

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

For the year ended June 30, 2020, the School Board recognized OPEB expense of \$3,850,094. At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,371,281	\$ -
Changes in assumptions	7,031,331	-
Total	\$ 9,402,612	\$ -

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

6. **POST-EMPLOYMENT HEALTHCARE AND LIFE INSURANCE BENEFITS** (continued)

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (continued)

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

<u>Years ending June 30:</u>	
2021	\$ 2,443,562
2022	2,443,562
2023	2,443,562
2024	1,035,962
2025	1,035,964
	<u>\$ 9,402,612</u>

7. **AGENCY FUND DEPOSITS DUE OTHERS**

A summary of changes in school activities agency fund deposits due others for the year ended June 30, 2020 follows:

	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Agency Funds:				
School Activities Accounts	<u>\$ 324,795</u>	<u>\$ 625,952</u>	<u>(\$ 604,988)</u>	<u>\$ 345,759</u>

8. **LONG-TERM LIABILITIES**

The following is a summary of the changes in general long-term obligations for the year ended June 30, 2020:

	<u>June 30, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2020</u>	<u>Current</u>
Bonds from direct placement	\$ 379,125	\$ -	(\$ 326,000)	\$ 53,125	\$ 51,000
QSCB, 2009	1,061,234	-	( 166,712)	894,522	175,000
Claims & judgments	223,069	-	( 10,884)	212,185	11,494
Obligations under capital lease	2,069	-	( 2,069)	-	-
Compensated absences	<u>520,124</u>	<u>131,965</u>	<u>( 64,523)</u>	<u>587,566</u>	<u>103,078</u>
	<u>\$ 2,185,621</u>	<u>\$ 131,965</u>	<u>(\$ 570,188)</u>	<u>\$ 1,747,398</u>	<u>\$ 340,572</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**8. LONG-TERM LIABILITIES (continued)**

The majority of the compensated absence will be liquidated through the General Fund, Sales Tax Fund and School Food Service, as these funds expend a majority of the payroll. The bonds payable will be liquidated through the debt service fund as well as the general fund. The claims and judgments will be paid from the general fund.

During the year ended June 30, 2013, the School Board refunded the School District No. 10 General Obligation Refunding Bonds, Series 2005 by issuing \$1,910,000 in general obligation refunding bonds. At the time of the refunding, the bonds had a principal balance of \$1,850,000. Proceeds from the issuance of the new general obligation bonds were used to pay off the existing principal balance plus accrued interest on the existing bonds as well as issuance costs associated with the refunding. Accordingly, the refunded general obligation bonds are considered defeased and are not included in the financial statements. The bonds are secured by a property tax (see Note 2). Due to adequate fund balance from prior property tax assessments, no millage was levied for the year ended June 30, 2020. Debt service for the year was \$283,937 which was the remaining amount of the pledge.

For the purpose of construction, rehabilitation, and renovations, the School Board issued \$2,500,000 of bonds payable through the federally sponsored Qualified School Construction Bond Program during the year ended June 30, 2010. The bonds are subject to mandatory sinking fund redemption prior to maturity, including interest accrued to the redemption date on an annual basis commencing March 15, 2011 and ending March 15, 2025.

For the purpose of construction, renovation, equipping, and rehabilitation of public school facilities, the School Board issued \$1,000,000 of revenue bonds during the year ended June 30, 2015, secured by and payable solely from a pledge and dedication of the ad valorem constitutional tax and other lawfully available funds including excess tax revenues and State Minimum Foundation Payments. The bonds are subject to mandatory sinking fund redemption prior to maturity, including interest accrued to the redemption date on an annual basis commencing March 1, 2016 and ending March 1, 2030. For the year ended June 30, 2020, there were no draws.

The constitutionally dedicated property tax (to schools) (see Note 2) and the minimum foundation program revenue are pledged as repayment on the Series 2015 Revenue Bonds dated April 29, 2015. The debt secured by the pledge totals \$1,000,000. The term of the commitment is 15 years beginning in April 2015 and ending in March 2030. The dedicated revenues are pledged 100% annually up to the current amount due for principal and interest. For fiscal year 2020 the pledged revenues recognized totaled \$12,306,489. The principal requirement for fiscal year 2020 was \$51,000 and the interest requirement was \$18,156.

The bond issues outstanding at June 30, 2020 are as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Due Date</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Qualified School Construction Bonds, Series 2009 dated December 22, 2009	\$ 2,500,000	1.75%	March 15, 2025	\$ 44,406	894,522
Revenue Bonds, Series 2015 dated April 29, 2015	1,000,000	4.75%	April 29, 2030	1,376	53,125
	<u>\$ 3,500,000</u>			<u>\$ 45,782</u>	<u>\$ 947,647</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

8. **LONG-TERM LIABILITIES** (continued)

Qualified School Construction Bonds, Series 2009 principal and interest payments are due as:

<u>Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 175,000	\$ 15,160	\$ 190,160
2022	180,000	12,076	192,076
2023	180,000	8,925	188,925
2024	185,000	5,754	190,754
2025	174,522	2,491	177,013
Total	<u>\$ 894,522</u>	<u>\$ 44,406</u>	<u>\$ 938,928</u>

Direct placement bonds principal and interest payments are due as:

<u>Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 51,000	\$ 1,325	\$ 52,325
2022	2,125	51	2,176
Total	<u>\$ 53,125</u>	<u>\$ 1,376</u>	<u>\$ 54,501</u>

In accordance with LSA-R.S. 39:562(L), the School Board is legally restricted from incurring long-term bonded debt in excess of 25 percent of the assessed value of taxable property (including homestead exempt and nonexempt property) within the parish. At June 30, 2020, the statutory limit is \$128,918,270.

**School District #10 General Obligation Refunding Bonds, Series 2012**

This bond is a direct placement bond that is subject to the following:

- *Events of default with finance-related consequences* – These bonds would be in default for failure of payment of principal and interest when due, non-performance of observance of covenants, agreements, or conditions in the Bond Resolution or any supplemental resolution continuing for more than 45 days after written notice of non-performance of not less than 25% of the Bond Obligation, and filing petition or seeking relief under Federal or State bankruptcy law.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

This bond series was completely retired during the year ended June 30, 2020.

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**8. LONG-TERM LIABILITIES** (continued)

**Qualified School Construction Revenue Bonds, Series 2009**

These bonds were offered for public sale that are subject to the following:

- *Events of default with finance-related consequences* – These bonds would be in default for failure of payment of principal and interest when due, non-performance of observance of covenants, agreements, or conditions in the Bond Resolution or any supplemental resolution continuing for more than 30 days after written notice of non-performance of not less than 25% of the owners of the bonds, if an action is brought contesting the validity of the bond resolution wherein a finding of invalidity is made, and filing petition or seeking relief under Federal or State bankruptcy law. The School Board has the authority to assess and collect property taxes that will be used to repay this debt.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

**Refunding Bonds, Series 2015**

This bond is a direct placement bond that is subject to the following:

- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

**9. INTERFUND TRANSACTIONS**

<u>Interfund Receivable</u>		<u>Interfund Payable</u>	
General	\$ 1,748,856	General	\$ 115,924
Sales tax	-	Sales tax	372,258
School food service	-	School food service	204,001
Other Non-Major	144,184	Other Non-Major	1,200,857
	<u>\$ 1,893,040</u>		<u>\$ 1,893,040</u>

The primary purpose of interfund advances is to cover expenditures on cost reimbursement grant programs until reimbursements are received from the granting agencies.

<u>Transfers In</u>		<u>Transfers Out</u>	
General	\$ 131,822	General	\$ 245,121
Sales tax	195,510	Sales tax	-
Other Non-Major	-	Other Non-Major	82,211
	<u>\$ 327,332</u>		<u>\$ 327,332</u>

The purpose of interfund transfers is to cover operating expenditures of the general fund through indirect cost recoveries charged to grant programs and to cover operating deficits of the state tax fund with transfers from the general fund.

## **POINTE COUPEE PARISH SCHOOL BOARD**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

#### **10. RISK MANAGEMENT**

The School Board manages its exposure under general liability, fleet, workers' compensation, and errors and omissions through the purchase of commercial insurance. Qualifying employees and retirees may participate in the state group medical and life insurance plan. Prior to fiscal year 2011, risk of loss under workers' compensation statutes was self-insured by the School Board and the Board remains liable for losses incurred prior 2011 for up to \$250,000 per occurrence, with commercial insurance coverage in force for losses in excess of that amount. The self-insured plan is administered by a third party, with the claims under the self-insured amount paid by the General Fund; certain Special Revenue funds may reimburse the General Fund for payment of their claims. Consistent with the provisions of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the School Board uses the General Fund to account for its risk financing activities. Claims payable for worker's compensation risks of approximately \$55,000 have been recorded as liabilities of the general fund. A claims liability has also been recorded as general long term debt (see notes 8 and 11) for other types of risks.

#### **11. LITIGATION AND CLAIMS**

**Litigation.** 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 materially affect the School Board's financial position. An accrual of \$100,000 has been made within the statement of net position to cover any potential exposure.

During the year ended June 30, 2020, the School Board received notifications from Louisiana School Employees District Retirement System of amounts due for the School Board's portion of the unfunded accrued liability for retirement benefits as a result of the privatization of certain positions. The School Board chose the presented option to make annual installment payments on this liability over a 10-year period. The balance at June 30, 2020 was \$112,185.

**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 as well as audits conducted by the Louisiana and U.S. Departments of Education. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants.

#### **12. COMMITMENTS AND CONTINGENCIES**

The School Board is involved in long-standing desegregation litigation - *Boyd v. Pointe Coupee Parish School Board* residing within in the U.S. District Court, Middle District of Louisiana, and remains under court decree. As such, certain operational or educational actions may be subject to court approval.

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**13. TRANSPORTATION SERVICES AGREEMENT**

The School Board entered into an agreement with a contractor to supply and maintain school busses and personnel as required to fulfill the School Board's needs for transportation services. The pricing for the agreement is based on the quantity of buses needed, special accessories needed on the bus, and frequency of use per day. The payments are to be made on a monthly basis. The agreement commenced on July 1, 2016 and terminates on June 30, 2021. The agreement was renewed through June 30, 2026.

Payments made during the year ended June 30, 2020 totaled approximately \$3,225,000 for the transportation services agreement.

Management has estimated that the minimum future payments under the agreement in effect at June 30, 2020 are as follows:

<u>Year ending</u> <u>June 30,</u>	<u>Amount</u>
2021	\$ 3,200,000
2022	3,300,000
2023	3,400,000
2024	3,600,000
2025	3,700,000
2026	3,900,000
	<u>\$ 21,100,000</u>

**14. DISAGGREGATION OF ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts, salaries and other payables as of June 30, 2020, were as follows:

Vendors	\$ 1,159,324
Accrued interest	13,299
Salaries and benefits	1,887,042
Claims payable	<u>55,367</u>
Total governmental fund encumbrances	<u>\$ 3,115,032</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

15. **DETAILED RESTRICTED NET POSITION AND FUND BALANCES**

a. Details of restricted Net Position as reported in the entity-wide Statement of Net Position are as follows:

	<u>Governmental Activities</u>
Net Position Restricted For:	
Debt service:	
Debt service for obligation bonds	\$ 32,475
Total net position restricted for debt service	<u>32,475</u>
Capital improvements:	
Bond funds for STEM Academy	<u>26,721</u>
Total net position for capital improvements	<u>26,721</u>
Federal programs:	
School Food	<u>826,273</u>
Total net position for federal programs	<u>826,273</u>
State programs:	
State Grants	<u>144,184</u>
Total net position for state programs	<u>144,184</u>
Total Restricted Net Position	<u>\$ 1,029,653</u>

b. Details of nonspendable, restricted, and unassigned fund balances at year-end are as follows:

	<u>General Fund</u>	<u>School Food Service Fund</u>	<u>Other Non-Major Funds</u>	<u>Total</u>
Nonspendable				
School Food	\$ -	\$ 127,964	\$ -	\$ 127,964
Total nonspendable	<u>-</u>	<u>127,964</u>	<u>-</u>	<u>127,964</u>
Restricted for:				
Debt service	-	-	45,774	45,774
Capital projects	-	-	26,721	26,721
State programs	-	-	144,184	144,184
Federal programs	<u>-</u>	<u>698,309</u>	<u>-</u>	<u>698,309</u>
Total Restricted	<u>-</u>	<u>689,309</u>	<u>216,679</u>	<u>914,988</u>
Unassigned	<u>4,041,951</u>	<u>-</u>	<u>-</u>	<u>4,041,951</u>
Total fund balances	<u>\$ 4,041,951</u>	<u>\$ 826,273</u>	<u>\$ 216,679</u>	<u>\$ 5,084,903</u>

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**16. TAX REVENUES ABATED**

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry and the School Board. The exemption may be renewed for an additional three years up to 80% of the tax that would be due. For the fiscal year ending June 30, 2020, approximately \$970,000 in Pointe Coupee Parish School Board ad valorem tax revenues were abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

**17. APPROPRIATIONS TO CHARTER SCHOOLS**

Appropriations to Type 2 Charter Schools during the year ended June 30, 2020 were as follows:

	<u>General Fund</u>
Louisiana Key Academy	\$ 36,582
Advantage Charter Academy	25,326
University View Academy	70,913
Louisiana Virtual Charter Academy	<u>60,783</u>
Total appropriations – type 2 charter schools	193,604
Office of Juvenile Justice	<u>19,329</u>
Total appropriations	<u>\$ 212,933</u>

**18. CURRENT ACCOUNTING STANDARDS SCHEDULED TO BE IMPLEMENTED**

Following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the School Board's financial report:

GASB Statement 84, *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the School Board controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. The standard is effective for annual reporting periods beginning after December 15, 2019. The School Board will include the requirements of this standard, as applicable, in its June 30, 2021 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The School Board will include the requirements of this standard, as applicable, in its June 30, 2022 financial statement. All of the School Board lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the School Board are unknown at this time.

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**19. SUBSEQUENT EVENTS**

In March, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread throughout the United States. The COVID-19 pandemic has negatively impacted the global economy and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic on the School Board's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on the School Board's, vendors and employees, all of which are uncertain and cannot be predicted. The ultimate extent to which the COVID-19 pandemic may directly or indirectly impact the School Board's financial condition or results of operations cannot be reasonably estimated at this time.

For the year ended June 30, 2021, the COVID-19 pandemic continues to impact the School Board. However, major disruptions to budgets, operations and its ability to execute its educational mission have been avoided. The School Board has been awarded approximately \$2 million in pandemic relief under the Elementary and Secondary School Emergency Relief provisions of the CARES Act through the Louisiana Department of Education.

**Pointe Coupee Parish School Board**

**New Roads, Louisiana**

**REQUIRED SUPPLEMENTAL INFORMATION – Part II**

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
Local sources:				
Taxes:				
Ad valorem	\$ 8,334,000	\$ 8,021,825	\$ 8,041,902	\$ 20,077
Sales and use	3,512,671	3,650,043	3,737,452	87,409
Earnings on investments	5,500	19,700	22,200	2,500
Other	168,745	121,875	101,058	(20,817)
State sources:				
Minimum Foundation Program	11,030,645	10,013,913	10,163,022	149,109
Revenue sharing	137,000	137,000	136,047	(953)
Restricted grants-in-aid	47,000	37,000	42,630	5,630
Other	11,000	11,000	2,302	(8,698)
Federal grants	-	-	13,640	13,640
Total revenues	<u>23,246,561</u>	<u>22,012,356</u>	<u>22,260,253</u>	<u>247,897</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular education programs	8,739,774	8,116,464	8,063,345	53,119
Special education programs	1,521,675	1,416,837	1,343,228	73,609
Other education programs	754,091	792,164	750,629	41,535
Support services:				
Pupil support services	1,028,576	1,259,507	1,110,268	149,239
Instructional staff services	493,960	308,802	272,293	36,509
General administration services	1,078,902	1,092,434	1,076,831	15,603
School administration services	1,498,115	1,378,044	1,345,459	32,585
Business administration and central services	982,451	1,102,383	466,835	635,548
Plant operation and maintenance	2,525,875	2,356,455	2,362,971	(6,516)
Transportation	4,097,107	3,506,466	4,061,422	(554,956)
Appropriation:				
Charter schools	198,025	212,933	212,933	-
Facilities acquisition and construction	20,000	5,000	19,131	(14,131)
Debt Service - Principal	220,000	220,000	221,000	(1,000)
Debt Service - Interest	23,151	23,151	23,101	50
Total expenditures	<u>23,181,702</u>	<u>21,790,640</u>	<u>21,329,446</u>	<u>461,194</u>
 Excess (deficiency) of revenues over expenditures	 \$ 64,859	 \$ 221,716	 \$ 930,807	 \$ 709,091 (continued)

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General Fund			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
<b><u>Other financing sources (uses):</u></b>				
Operating transfers out	\$ (219,613)	\$ (338,586)	\$ (245,121)	\$ 93,465
Operating transfers in	154,754	116,870	131,822	14,952
Total other financing sources (uses)	(64,859)	(221,716)	(113,299)	108,417
Excess of revenues and other financing sources over (under) expenditures and other financing sources (uses)	-	-	817,508	817,508
Fund balances, June 30, 2019	4,181,779	2,979,779	3,224,443	244,664
FUND BALANCES, JUNE 30, 2020	<u>\$ 4,181,779</u>	<u>\$ 2,979,779</u>	<u>\$ 4,041,951</u>	<u>\$ 1,062,172</u> (concluded)

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SALES TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Sales Tax Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
One Cent Sales Tax	\$ 3,501,671	\$ 3,435,000	\$ 3,612,075	\$ 177,075
Total revenues	<u>3,501,671</u>	<u>3,435,000</u>	<u>3,612,075</u>	<u>177,075</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular education programs	1,549,435	1,737,590	1,800,530	(62,940)
Special education programs	365,911	376,451	360,188	16,263
Other education programs	176,986	155,528	139,013	16,515
Support services:				
Pupil support services	168,070	181,413	174,060	7,353
Instructional staff services	142,348	109,730	109,610	120
General administration services	156,100	156,974	155,025	1,949
School administration services	290,503	239,778	243,664	(3,886)
Business administration and central services	159,411	148,050	132,183	15,867
Plant operation and maintenance	146,922	156,778	150,181	6,597
Transportation	307,510	266,678	278,826	(12,148)
Food services	258,089	244,616	264,305	(19,689)
Total expenditures	<u>3,721,285</u>	<u>3,773,586</u>	<u>3,807,585</u>	<u>(33,999)</u>
Excess (deficiency) of revenues over expenditures	<u>(219,614)</u>	<u>(338,586)</u>	<u>(195,510)</u>	<u>143,076</u>
<b><u>Other financing sources (uses):</u></b>				
Operating transfers in	<u>219,614</u>	<u>338,586</u>	<u>195,510</u>	<u>(143,076)</u>
Total other financing sources (uses)	<u>219,614</u>	<u>338,586</u>	<u>195,510</u>	<u>(143,076)</u>
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, June 30, 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SCHOOL FOOD SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	School Food Service Fund			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
Local sources:				
Earnings on investments	\$ 900	\$ 900	\$ 822	\$ (78)
Food sales	10,000	7,000	6,705	(295)
Other	7,341	7,341	17,984	10,643
State sources:				
Minimum Foundation Program	50,000	50,000	50,000	-
Federal grants	2,064,933	1,654,640	1,654,640	-
Total revenues	<u>2,133,174</u>	<u>1,719,881</u>	<u>1,730,151</u>	<u>10,270</u>
<b><u>Expenditures:</u></b>				
Current:				
Support services:				
Food services	<u>2,123,758</u>	<u>1,824,500</u>	<u>1,761,840</u>	<u>62,660</u>
Total expenditures	<u>2,123,758</u>	<u>1,824,500</u>	<u>1,761,840</u>	<u>62,660</u>
Excess (deficiency) of revenues over expenditures	9,416	(104,619)	(31,689)	72,930
Fund balances, June 30, 2019	<u>968,683</u>	<u>857,962</u>	<u>857,962</u>	<u>-</u>
<b>FUND BALANCES, JUNE 30, 2020</b>	<u><u>\$ 978,099</u></u>	<u><u>\$ 753,343</u></u>	<u><u>\$ 826,273</u></u>	<u><u>\$ 72,930</u></u>

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**BUDGETS**

**General Budget Practices.** The School Board follows these procedures in establishing the budgetary data reflected in the financial statements.

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

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. 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. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements consist of those presented in the original budget adopted by the Board and as amended 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.

**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 budget 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.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT**  
**BENEFITS LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Financial statement reporting date	Measurement date	Service cost	Interest	Difference between actual and expected experience	Changes in Assumptions	Benefit payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered-employee payroll	Total OPEB liability as a percentage of covered-employee payroll
6/30/2020	6/30/2020	\$ 329,541	\$ 1,076,991	\$ 1,514,186	\$ 4,116,218	\$ (1,896,032)	\$ 5,140,904	\$ 31,719,195	\$ 36,860,099	\$ 7,608,345	484.47%
6/30/2019	6/30/2019	303,186	888,988	1,443,953	5,521,833	(1,992,902)	6,165,058	25,554,137	31,719,195	7,608,345	416.90%
6/30/2018	6/30/2018	275,052	949,541	326,799	-	(1,952,603)	(401,211)	25,955,348	25,554,137	8,128,296	314.38%

**Notes to Schedule:**

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

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan.

*Benefit Changes*

There were no changes of benefit terms for the year ended June 30, 2020.

*Changes of Assumptions*

6/30/2020 Discount rate changed from 3.50% to 2.21%.  
Healthcare cost trend rates changed from 5.5% to 5.5% for 10 years, 4.5% after  
The mortality rates were changed from being based on the RP-2000 Table to the RP-2014 Table.

6/30/2019 Discount rate changed from 3.62% to 3.50%.  
The index used for the discount rate was changed to the Bond Buyers' 20 Year General Obligation Municipal Bond Index.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SCHEDULE OF POINTE COUPEE PARISH SCHOOL BOARD'S**  
**PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FOR THE YEAR ENDED JUNE 30, 2020 (\*)**

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
<b>Teachers Retirement System of Louisiana</b>						
	2020	0.2633%	\$26,127,534	\$12,631,761	206.8400%	68.57%
	2019	0.2716%	26,689,069	12,264,898	217.6053%	68.17%
	2018	0.2725%	27,941,389	12,637,325	221.1021%	65.55%
	2017	0.2834%	33,262,973	13,061,144	254.6712%	59.90%
	2016	0.2853%	30,672,484	13,822,704	221.8993%	62.50%
	2015	0.2786%	28,478,755	13,850,989	205.6081%	63.70%
<b>Louisiana School Employees Retirement System</b>						
	2020	0.1764%	1,234,405	411,051	300.3046%	73.49%
	2019	0.1659%	1,108,353	1,141,203	97.1215%	74.44%
	2018	0.1776%	1,136,376	824,414	137.8405%	75.03%
	2017	0.1817%	1,370,943	567,993	241.3662%	70.09%
	2016	0.2239%	1,112,554	1,156,245	96.2213%	74.49%
	2015	0.2375%	1,376,963	1,464,665	94.0121%	76.18%

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

(\*) The amounts presented have a measurement date of the previous fiscal year end.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SCHEDULE OF POINTE COUPEE PARISH SCHOOL BOARD'S CONTRIBUTIONS TO COST-**  
**SHARING MULTI-EMPLOYER DEFINED BENEFIT PLANS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Pension Plan</u>	<u>Year</u>	<u>Contractually Required Contribution<sup>1</sup></u>	<u>Contributions in Relation to Contractually Required Contribution<sup>2</sup></u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll<sup>3</sup></u>	<u>Contributions as a % of Covered Payroll</u>
<b>Teachers Retirement System of Louisiana</b>						
	2020	\$3,232,224	\$3,232,224	\$ -	\$12,431,623	26.0000%
	2019	3,372,680	3,372,680	-	12,631,761	26.7000%
	2018	3,483,231	3,483,231	-	12,264,898	28.4000%
	2017	3,222,518	3,222,518	-	12,637,325	25.5000%
	2016	3,435,081	3,435,081	-	13,061,144	26.3000%
	2015	3,870,357	3,870,357	-	13,822,704	28.0000%
<b>Louisiana School Employees Retirement System</b>						
	2020	120,851	120,851	-	411,051	29.4000%
	2019	115,802	115,802	-	413,579	28.0000%
	2018	314,972	314,972	-	1,141,203	27.6000%
	2017	225,065	225,065	-	824,414	27.3000%
	2016	171,534	171,534	-	567,993	30.2000%
	2015	381,561	381,561	-	1,156,245	33.0000%

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

***For reference only:***

<sup>1</sup> *Employer contribution rate multiplied by employer's covered payroll*

<sup>2</sup> *Actual employer contributions remitted to retirement systems*

<sup>3</sup> *Employer's covered payroll amount for the fiscal year ended June 30, 2020*

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Changes of Benefit Terms include:**

There were no changes in benefit terms for the two pension plans listed above for the years presented.

**Teachers Retirement System of Louisiana**

- 2016 - Act 93 of the 2016 provides for a 1.5% permanent benefit increase on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16 for those retired on or before 6/30/15 who are at least the age of 60.

**Louisiana School Employees Retirement System**

- 2016 - Act 93 of the 2016 provides for an up to 2.0% COLA on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16.

**Changes of Assumptions**

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:		
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2019	7.5500%	-0.100%
2018	7.6500%	-0.050%
2017	7.7000%	0.050%
2016	7.7500%	0.000%
2015	7.7500%	
LSERS		
2019	7.0000%	-0.0625%
2018	7.0625%	-0.0625%
2017	7.1250%	0.0000%
2016	7.1250%	0.1250%
2015	7.0000%	

(\*) The amounts presented have a measurement date of the previous fiscal year end.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Changes of Assumptions (continued)**

Inflation Rate:		
Year(*)	Rate	Change
TRSL		
2019	2.5000%	0.0000%
2018	2.5000%	0.0000%
2017	2.5000%	0.0000%
2016	2.5000%	0.0000%
2015	2.5000%	
LSERS		
2019	2.5000%	0.0000%
2018	2.5000%	-0.1250%
2017	2.6250%	0.0000%
2016	2.6250%	-0.1250%
2015	2.7500%	

**Salary Increases:**

Year (*)	Range
TRSL	
2019	3.300% to 4.800%
2018	3.300% to 4.800%
2017	3.500% to 10.000%
2016	3.500% to 10.000%
2015	3.500% to 10.000%
LSERS	
2019	3.25%
2018	3.25%
2017	3.075% to 5.375%
2016	3.200% to 5.500%
2015	3.200% to 5.500%

(\*) The amounts presented have a measurement date of the previous fiscal year end.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Changes of Assumptions (continued)**

Mortality table:

TRSL

2019 – No changes

2018 – Active members – RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.

Non-Disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.

Disability retiree mortality – RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.

These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.

2017 – Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.

LSERS

2019 – No changes

2018 – RP-2014 Healthy Annuitant, Sex Distinct Employee, Sex Distinct Disabled Tables

2017 – RP-2000 Sex Distinct Mortality and Disabled Lives Mortality Tables

**POINTE COUPEE PARISH SCHOOL BOARD**

**OTHER SUPPLEMENTAL INFORMATION**

**COMBINING NON-MAJOR GOVERNMENTAL FUND STATEMENTS**

## POINTE COUPEE PARISH SCHOOL BOARD

### NON-MAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

**Title I** This fund accounts for federal grants received under the umbrella of Title One as revised by the No Child Left Behind Act. The purpose of Title I is to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Services supplement, not supplant, those normally provided by state and local educational agencies.

**Title II** This fund accounts for the federal grants which combine the Eisenhower Professional Development State Grants and Class-Size Reduction programs into one program that focuses on preparing, training and recruiting high-quality teachers.

**Special Education** *The Individuals with Disabilities Education Act (IDEA)* is a federally financed program providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.

**Head Start** This fund accounts for a federal grant, the goal of which is to promote the school readiness of low-income preschool children (ages 3 to 5) by enhancing their cognitive social and emotional development in learning environments.

**TANF** This fund accounts for a federal grant, the goal of which is to provide time-limited assistance to needy families with children.

**Striving Readers** This fund accounts for a federal grant, the goal of which is to increase literacy achievement for all students.

**21<sup>st</sup> Century** This fund accounts for a federal grant, the goal of which is to provide quality after school enrichment opportunities.

**Other Federal** Accounts for the proceeds of miscellaneous small or non-recurring federal grants including Vocational Education, LINC with Technology, and Reading First.

**State Grants** Used to account for special non-federal grants received from various departments of the State of Louisiana.

**District No. 10 Debt Service Fund** Accumulates funds for the payment of the 2012 refunding general obligation bonds.

**Capital Projects Fund** Accounts for various major capital improvements.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	Title I	Title II	Special Education	Head Start	TANF
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Due from other governments	274,850	70,539	132,984	223,974	43,182
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 274,850</b>	<b>\$ 70,539</b>	<b>\$ 132,984</b>	<b>\$ 223,974</b>	<b>\$ 43,182</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 11,917	\$ 1,713	\$ 8,183	\$ -	\$ -
Due to other funds	262,933	68,826	124,801	223,974	43,182
<b>TOTAL LIABILITIES</b>	<b>274,850</b>	<b>70,539</b>	<b>132,984</b>	<b>223,974</b>	<b>43,182</b>
Fund balances:					
Spendable	-	-	-	-	-
Restricted	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 274,850</b>	<b>\$ 70,539</b>	<b>\$ 132,984</b>	<b>\$ 223,974</b>	<b>\$ 43,182</b>

(Continued)

<u>Striving Readers</u>	<u>21st Century</u>	<u>Other Federal</u>	<u>State Grants</u>	<u>District 10 Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 45,774	\$ 26,721	\$ 72,495
-	30,468	327,002	120,770	-	-	1,223,769
-	-	-	144,184	-	-	144,184
<u>\$ -</u>	<u>\$ 30,468</u>	<u>\$ 327,002</u>	<u>\$ 264,954</u>	<u>\$ 45,774</u>	<u>\$ 26,721</u>	<u>\$ 1,440,448</u>
\$ -	-	\$ 1,099	\$ -	\$ -	\$ -	\$ 22,912
-	30,468	325,903	120,770	-	-	1,200,857
-	30,468	327,002	120,770	-	-	1,223,769
-	-	-	144,184	45,774	26,721	216,679
-	-	-	144,184	45,774	26,721	216,679
<u>\$ -</u>	<u>\$ 30,468</u>	<u>\$ 327,002</u>	<u>\$ 264,954</u>	<u>\$ 45,774</u>	<u>\$ 26,721</u>	<u>\$ 1,440,448</u>

(Concluded)

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FISCAL YEAR ENDED JUNE 30, 2020**

	Title I	Title II	Special Education	Head Start	TANF	Striving Readers
<b><u>REVENUES</u></b>						
Local sources:						
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food sales	-	-	-	-	-	-
Other	-	-	-	-	-	-
State sources:						
Unrestricted grants-in-aid, MFP	-	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	-	-
Federal grants	1,089,155	177,933	960,587	1,163,115	80,679	60,000
<b>TOTAL REVENUES</b>	<b>1,089,155</b>	<b>177,933</b>	<b>960,587</b>	<b>1,163,115</b>	<b>80,679</b>	<b>60,000</b>
<b><u>EXPENDITURES</u></b>						
Current:						
Instruction:						
Regular education programs	-	-	-	-	-	-
Special education programs	-	-	480,715	-	-	-
Other education programs	806,769	6,126	50,001	883,071	80,679	-
Support:						
Pupil support services	-	-	276,919	-	-	-
Instructional staff services	149,212	167,485	84,161	148,596	-	60,000
General administration services	75,599	-	-	-	-	-
School administration services	-	-	-	-	-	-
Business and central services	-	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-	-
Transportation	-	-	-	131,448	-	-
Food services	-	-	-	-	-	-
Debt service - principal	-	-	-	-	-	-
Debt service - interest	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,031,580</b>	<b>173,611</b>	<b>891,796</b>	<b>1,163,115</b>	<b>80,679</b>	<b>60,000</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	57,575	4,322	68,791	-	-	-
<b><u>OTHER FINANCING SOURCES (USES)</u></b>						
Transfers out	(57,575)	(4,322)	(68,791)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(57,575)</b>	<b>(4,322)</b>	<b>(68,791)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u></b>						
	-	-	-	-	-	-
Fund balances, June 30, 2019	-	-	-	-	-	-
<b>FUND BALANCES, JUNE 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(Continued)

<u>21st Century</u>	<u>Other Federal</u>	<u>State Grants</u>	<u>District 10 Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 3,909	\$ 19	\$ 3,928
-	-	-	-	-	-
-	-	-	-	11,910	11,910
-	-	147,977	-	-	147,977
-	-	918,917	-	-	918,917
309,115	439,729	-	-	-	4,280,313
<u>309,115</u>	<u>439,729</u>	<u>1,066,894</u>	<u>3,909</u>	<u>11,929</u>	<u>5,363,045</u>
-	1,813	47,289	-	-	49,102
-	57,090	9,402	-	-	547,207
180,216	287,939	859,639	-	-	3,154,440
-	61,561	28,050	-	-	366,530
-	27,992	27,854	-	-	665,300
-	1,819	-	-	-	77,418
-	2,181	743	-	-	2,924
-	8,032	-	-	-	8,032
-	26,886	-	-	-	26,886
128,899	558	1,935	-	-	262,840
-	12,335	-	-	-	12,335
-	-	-	275,000	-	275,000
-	-	-	8,937	-	8,937
<u>309,115</u>	<u>488,206</u>	<u>974,912</u>	<u>283,937</u>	<u>-</u>	<u>5,456,951</u>
-	(48,477)	91,982	(280,028)	11,929	(93,906)
-	48,477	-	-	-	(82,211)
-	48,477	-	-	-	(82,211)
-	-	91,982	(280,028)	11,929	(176,117)
-	-	52,202	325,802	14,792	392,796
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,184</u>	<u>\$ 45,774</u>	<u>\$ 26,721</u>	<u>\$ 216,679</u>
					(Concluded)

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS**

**FOR THE YEAR ENDED JUNE 30, 2020**

Anita Kay Lejeune	\$ 9,600
Chad A Aguillard	10,500
Frank Aguillard	9,900
Gene Aubry Hendricks	9,900
Jason Lemoine	9,600
Lisa D'Aquila	9,900
Thomas A Nelson	10,550
Walter Grezaffi	9,600
	<u>\$ 79,550</u>

**POINTE COUPEE PARISH SCHOOL BOARD**  
**NEW ROADS, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS**  
**TO THE SUPERINTENDENT**

**FOR THE YEAR ENDED JUNE 30, 2020**

**Superintendent Name: Kim Canezaro**

Salary	\$ 143,000
Reimbursement - travel	172
Benefits - retirement	37,180
Benefits - medicare	2,038
Benefits - health insurance	<u>6,233</u>
	<u><u>\$ 188,623</u></u>

**OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS* AND BY  
THE U.S. OFFICE OF MANAGEMENT AND BUDGET (UNIFORM GUIDANCE)**

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

The Members of the  
Pointe Coupee Parish School Board  
New Roads, 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 Pointe Coupee Parish School Board (the School Board), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated March 26, 2021.

**Internal Control over Financial Reporting**

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

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

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



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
March 26, 2021

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

The Members of the  
Pointe Coupee Parish School Board  
New Roads, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited Pointe Coupee Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2020. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

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

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

**Opinion on Each Major Federal Program**

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002. Our opinion on each major federal program is not modified with respect to these matters.

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

### **Report on Internal Control over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 that we consider to be significant deficiencies.

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

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.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
March 26, 2021

**POINTE COUPEE PARISH SCHOOL BOARD**

**New Roads, Louisiana**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Grantor Project Number</u>	<u>Expenditures</u>
<b><u>UNITED STATES DEPARTMENT OF AGRICULTURE</u></b>			
Child Nutrition Cluster:			
Pass-through program from Louisiana Department of Agriculture and Forestry:			
Food Distribution - Commodities	10.555	N/A	\$ 115,406
Pass-through program from Louisiana Department of Education:			
School Lunch Program	10.555	2004-023790207	1,088,469
School Breakfast Program	10.553	2004-023790207	450,765
Child Nutrition Cluster Total			<u>1,654,640</u>
Total United States Department of Agriculture			<u>1,654,640</u>
<b><u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
Passed through Louisiana Department of Education:			
Jobs for America's Graduates LA - TANF	93.558	28-20-JS-39	80,679
Child Care and Development Fund (CCDF) Cluster:			
Early Childhood Community Network Pilots - CCDF	93.575	N/A	11,623
Direct Programs:			
Head Start Cluster:			
Administration for Children, Youth, and Families - Head Start	93.600	06CH01014505	384,399
Administration for Children, Youth, and Families - Head Start	93.600	06CH01014506	778,716
Total United States Department of Health and Human Services			<u>1,163,115</u>
			<u>1,255,417</u>
<b><u>UNITED STATES DEPARTMENT OF EDUCATION</u></b>			
Passed through Louisiana Department of Education:			
Title I Regular Project	84.010A	28-20-T1-39	895,881
ESSA- Direct Student Services	84.010A	28-20-DSS-39	18,614
School Redesign Planning Grant	84.010A	28-20-RD19-39	174,660
Special Education Cluster:			
Special Education Regular Project	84.027A	28-20-B1-39	865,863
High Cost Services - IDEA	84.027A	28-20-RH-39	2,162
Jobs for America's Graduates AIM High Middle School Pilot Project	84.027A	28-20-JP-39	50,000
CIR-UIR 2020	84.027A	N/A	8,893
Special Education Preschool Project	84.173A	28-20-P1-39	42,562
Vocational Education - Carl Perkins	84.048A	28-20-02-39	28,588
21st Century Community Learning Center	84.287C	28-20-2C-39	309,115
LA ST Personnel Development Grant	84.323A	28-20-P718-39	57,035
Title II Regular Project	84.367A	28-20-50-39	177,933
Striving Readers Comprehensive Literacy Program - SRCL	84.371C	28-14-SO-39	79,200
Gaining Early Awareness And Readiness For Undergraduate Programs	84.334S	P334S160013-20	58,524
McKinney - Homeless Children and Youth	84.196A	28-20-H1-39	18,877
Rural Education	84.358B	28-20-RE-39	54,805
Title IV	84.424A	28-20-71-39	59,833
Title IV Set Aside	84.424	28-20-UIRD-39	8,725
COVID-19 Cares Act: Strong Start	84.425D	28-20-ESRF-39	122,519
Total United States Department of Education			<u>3,033,789</u>
			(Continued)

**POINTE COUPEE PARISH SCHOOL BOARD**

**New Roads, Louisiana**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Grantor Project Number</u>	<u>Expenditures</u>
<b><u>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</u></b>			
FEMA - Disaster Relief for Hurricanes	97.036	N/A	<u>4,747</u>
Total United States Department of Homeland Security			<u>4,747</u>
 Total Expenditures of Federal Awards			 <u>\$ 5,948,593</u> (Concluded)

See the accompanying notes to the schedule of expenditures of federal awards

**POINTE COUPEE PARISH SCHOOL BOARD**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pointe Coupee Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE B – FOOD DISTRIBUTION**

Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2020, the organization had food commodities totaling \$36,790 in inventory. The value of commodities received and used during the period ended June 30, 2020 totaled \$115,406.

**NOTE C – DE MINIMUS COST RATE**

During the year ended June 30, 2020, the Pointe Coupee Parish School Board did not elect to use the 10% de minimus cost rate as covered in §200.414 of the Uniform Guidance.

**NOTE D – AMOUNTS PASSED THROUGH TO SUBRECIPIENTS**

During the year ended June 30, 2020, the Pointe Coupee Parish School Board did not pass through any federal funding to subrecipients.

**NOTE E – RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS**

Reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) to the Financial Statements

Total Federal Revenues	\$ <u>5,948,593</u>
Total Federal Expenditures - SEFA	\$ <u>5,948,593</u>

**POINTE COUPEE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**A. Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: Unmodified

- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes        x   none reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes        x   no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
- Significant deficiencies identified that are not considered to be material weaknesses?   x   yes      \_\_\_\_\_ none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?

  x   yes      \_\_\_\_\_ no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

10.553, 10.555  
84.027A, 84.173A

Child Nutrition Cluster  
Special Education Cluster (IDEA)

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.
- The Pointe Coupee Parish School Board did not qualify as a low-risk auditee.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**B. Findings – Financial Statement Audit**

None.

**C. Findings and Questioned Costs – Major Federal Award Programs**

**2020-001**

**Program Income**

**U.S. DEPARTMENT OF AGRICULTURE**  
***passed through the Louisiana Department of Education***  
**10.553, 10.555 Child Nutrition Cluster**  
**2019-2020 Award Year**  
**Grant No. 2004-023790207**

Criteria: The Net Cash Resources should be below the 3 Months' Average Expenses for the federal program.

Condition: The School Board maintained Net Cash Resources in excess of the 3 Months' Average Expenses at June 30, 2020.

Cause: The School Board did not properly monitor and make adjustments to its Net Cash Resources and expenses.

Effect: The School Board is not in compliance with the requirement to maintain Net Cash Resources below the 3 Months' Average of expenses.

Questioned Costs: None.

Universe/  
Population Size: N/A

Sample Size: N/A

Recommendation: The School Board should take corrective steps to reduce its Net Cash Resources to no more than the 3 Months' Average Expenses and develop a timeframe for making such reduction.

Repeat Finding: No.

**View of Responsible Official:**

We have been and are budgeting to spend more money in 2021 than we have collected or will collect in revenues. We are anticipating a deficit in 2021 for the Child Nutrition Program. This will cause our Net Cash Resources to decrease. Also, we are planning an accelerated summer school program in June 2021. We are anticipating a higher student attendance than usual, which will require us to purchase more supplies to prepare for it. We did not have a summer school program in 2020.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**C. Findings and Questioned Costs – Major Federal Award Programs (continued)**

**2020-002**

**Procurement**

**U.S. DEPARTMENT OF EDUCATION**

***passed through the Louisiana Department of Education***

**84.027A, 84.173A Special Education Cluster**

**2019-2020 Award Year**

**Grant No. 28-20-B1-39**

**Criteria:**

The Uniform Guidance federal regulations were fully effective as of December 26, 2017. The regulations (200.320) require, among other things, that procurement for small purchases of goods and services in an amount between the \$10,000 to \$250,000, follow the small purchase procedures and obtain an adequate number of prices\quotes be obtained.

The Uniform Guidance federal regulations require when a non-Federal entity enters into a covered transaction, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995, is not suspended or debarred or otherwise excluded from participating in covered transactions. This verification may be accomplished by (1) by checking the Excluded Parties List System (EPLS), (2) collecting certification from entity, (3) adding a clause or condition within the contract with the entity.

In addition to other provisions required by the Federal agency or non- Federal entity, all contracts made by the non-Federal award entity Federal award must contain provisions that are outlined in Appendix II to Part 200, namely:

- A.) All contracts > \$10,000 must address termination for cause and convenience by the non-federal entity including the manner by which it will be effected and the basis for settlement.
- B.) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
- C.) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), "Debarment and Suspension." The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**C. Findings and Questioned Costs – Major Federal Award Programs (continued)**

**2020-002**

**Procurement** (continued)

**U.S. DEPARTMENT OF EDUCATION**

***passed through the Louisiana Department of Education***

**84.027A, 84.173A Special Education Cluster**

**2019-2020 Award Year**

**Grant No. 28-20-B1-39**

<b><u>Condition:</u></b>	While testing compliance with the federal procurement regulations, 4 vendors were identified with expenditures greater than \$10,000 and less than \$250,000 and testing was performed relating to the documentation to support the procurement process. These 4 vendors provided professional services during year ended June 30, 2020. Compliance testing focused on the proper renewing and awarding of the contracts to determine compliance with the procurement regulations. The 4 contracts totaled \$67,315. There was no evidence provided to demonstrate that quotes and prices were obtained for 3 of the 4 vendors or providers as required by Federal procurement regulations. Also, no evidence was provided to demonstrate that 3 of the 4 vendors were appropriately checked for suspension and debarment. And finally, the identified 3 contracts did not contain the provisions required by Appendix II to Part 200.
<b><u>Cause:</u></b>	Personnel administering the grants and those in the School Board purchasing department did not execute and enforce the revised purchasing policy containing the new Uniform Guidance requirements.
<b><u>Effect:</u></b>	The School Board is not in compliance with the requirements of the Uniform Guidance Procurement regulations.
<b><u>Questioned Costs:</u></b>	None.
<b><u>Universe/ Population Size:</u></b>	The total universe considered to be all vendors of the Special Education Cluster whose transactions for the year ended June 30, 2020 exceeded the micro-purchase threshold of \$10,000. Payroll and benefit-related transactions were excluded from the universe. Based on these requirements, the total universe is 4 vendors totaling \$67,315. This is also considered the population size.
<b><u>Sample Size:</u></b>	The total universe/population size of 4 vendors was selected for testing.
<b><u>Recommendation:</u></b>	We recommend for the School Board to more fully implement and follow its revised policies and procedures for purchases made with federal awards so that these newly required federal procurement regulations are followed. We recommend that the School Board include Appendix II to Part II Summary as applicable in their future contracts.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**C. Findings and Questioned Costs – Major Federal Award Programs (continued)**

**2020-002**                      **Procurement** (continued)

**Repeat Finding:**              No.

**View of Responsible Official:**

We will revise our policies and procedures on purchases with federal awards so that we will meet these newly required federal procurement regulations. We will begin including Appendix II to Part II Summary where applicable in future contracts.

**POINTE COUPEE PARISH SCHOOL BOARD**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**B. Findings – Financial Statement Audit**

None.

**C. Findings and Questioned Costs – Major Federal Award Programs**

None.

**Independent Accountants' Report  
On Applying Agreed-Upon Procedures**

To the Members of the  
Pointe Coupee Parish School Board,  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Pointe Coupee Parish School Board and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the Pointe Coupee Parish School Board for the fiscal year ended June 30, 2020; to assist in determining whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin, in compliance with Louisiana Revised Statute 24:514 I. Management of the Pointe Coupee Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

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

*No differences noted.*

**Class Size Characteristics (Schedule 2)**

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

*In our sample of 10 classes, the roll book for 1 of those classes could not be provided. There were no discrepancies for the remaining sample of 9 classes.*

**Experience of Public School Staff (NO SCHEDULE)**

3. We obtained October 1<sup>st</sup> 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. We traced a sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the PEP data (or equivalent listing prepared by management).

*Discrepancies existed for 7 of the 25 persons selected for testing between the PEP data and the personnel files.*

**Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (NO SCHEDULE)**

4. We obtained October 1<sup>st</sup> PEP data submitted to the Department of Education (or equivalent listing prepared by management), of full-time teachers, principals, and assistant principals by classification. We traced the same sample used in procedure 3 to the individual's personnel file and determined if the individual's experience was properly classified on the PEP data (or equivalent listing prepared by management).

*Discrepancies existed for 15 of the 25 persons selected for testing between the PEP data and the personnel files.*

**Public School Staff Data: Average Salaries (NO SCHEDULE)**

5. We obtained June 30<sup>th</sup> 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).

*A discrepancy existed for 1 of the 25 persons selected for testing between the PEP data and the personnel files.*



This agreed-upon procedures engagement was performed 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, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Pointe Coupee 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.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana

March 26, 2021

**POINTE COUPLEE PARISH SCHOOL BOARD**

**NEW ROADS, LOUISIANA**

**Schedules Required by State Law (R.S. 24:514 - Performance Measurement Data)**

**As of and for the Year Ended June 30, 2020**

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

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

**Schedule 2 (Formerly Schedule 6) Class Size Characteristics**

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

**POINTE COUPEE PARISH SCHOOL BOARD****General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2020****Schedule 1****General Fund Instructional and Equipment Expenditures**

## General Fund Instructional Expenditures:

## Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 7,295,543	
Other Instructional Staff Activities	670,592	
Instructional Staff Employee Benefits	3,976,680	
Purchased Professional and Technical Services	134,830	
Instructional Materials and Supplies	177,371	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities		12,255,016

Other Instructional Activities 134,789

Pupil Support Activities 1,284,323  
Less: Equipment for Pupil Support Activities -  
Net Pupil Support Activities 1,284,323

Instructional Staff Services 381,903  
Less: Equipment for Instructional Staff Services -  
Net Instructional Staff Services 381,903

School Administration 1,589,121  
Less: Equipment for School Administration -  
Net School Administration 1,589,121

Total General Fund Instructional Expenditures 15,645,152

Total General Fund Equipment Expenditures -

**Certain Local Revenue Sources**

## Local Taxation Revenue:

Constitutional Ad Valorem Taxes	2,143,467
Renewable Ad Valorem Tax	5,646,663
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	251,772
Sales and Use Taxes	7,349,527
Total Local Taxation Revenue	15,391,429

## Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	15,700
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	15,700

## State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	37,433
Revenue Sharing - Other Taxes	98,614
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	136,047

Nonpublic Textbook Revenue 23,755

Nonpublic Transportation Revenue -  
Total State Revenue for Non-public Education \$ 23,755

# **POINTE COUPEE PARISH SCHOOL BOARD**

## **Class Size Characteristics**

**As of October 1, 2019**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	80%	827	17%	178	3%	24	0%	1
Elementary Activity Classes	76%	112	16%	23	5%	8	3%	5
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High	66%	277	29%	121	5%	23	0%	-
High Activity Classes	80%	63	11%	9	9%	7	0%	-
Combination	76%	1,104	21%	299	3%	47	0%	1
Combination Activity Classes	77%	175	14%	32	7%	15	2%	5

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

**POINTE COUPEE PARISH SCHOOL BOARD**

**REPORT TO MANAGEMENT**

**JUNE 30, 2020**



Postlethwaite & Netterville

A Professional Accounting Corporation

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POINTE COUPEE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2020

March 26, 2021

Members of the Board and Management  
Pointe Coupee Parish School Board  
New Roads, Louisiana

In planning and performing our audit of the financial statements of the Pointe Coupee Parish School Board (the School Board) for the year ended June 30, 2020, we considered the School Board's internal controls and compliance with laws and regulations having a material effect on financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure or on compliance.

However, during our audit, we became aware of the following matters that are opportunities for improving financial reporting, refining policies and procedures and enhancing compliance with laws and regulations. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated March 26, 2021 on the financial statements of the School Board.

**2020-1**

**Performance and Statistical Schedules**

**Condition:**

The data provided on the performance and statistical schedules did not contain the accurate education and experience data for certain staff. This is a result of a previous software conversion undertaken by the School Board in which the information was not updated appropriately.

**Recommendation:**

We recommend that the School Board review the information contained on the required performance and statistical schedules for accuracy and completeness.

**Management's**

**Response:**

*The School Board with the assistance of a consultant from PowerSchool to review the schedules being generated by the software. We will determine if modifications can be made to the current schedules, or if we need to create new schedules to ensure accuracy in the future.*

**2020-2**

**Sales Tax Fund Allocations**

**Condition:**

School Board policy requires that the certain salary and benefit amounts for qualifying employees be allocated to the Sales Tax Fund. During our testing we noted some small differences in the amounts allocated and amounts that were approved by the School Board.

2020-2

Sales Tax Fund Allocations (continued)

Recommendation:

We recommend that the School Board reevaluate its internal processes and controls for determining this allocation to ensure that the allocation is performed in accordance with Board policy.

Management's  
Response:

*The School Board will continue to work with the software company to improve allocations as directed by the Board. I have talked to our Customer relations specialist with our financial software company. I informed him of this issue and the importance of these allocations being accurate and consistent. Our software is going to be upgraded to the newest version this Spring or Summer. During this upgrade, we are going to work on modifications to the Software so the sales tax payroll allocations can be more accurate.*

2020-3

Total Other Post-Employment Benefits Liability Census Data

Condition:

During the performance of our audit procedures, we noted that certain portions of the census data used for the total other post-employment benefits liability were not updated or did not contain accurate information. While the actuary was able to perform alternative procedures related to the data in order to perform the valuation, it is important that this data be kept up-to-date.

Recommendation:

We recommend that the School Board review the total other post-employment benefit census data to ensure that it is timely updated.

Management's  
Response:

*We will review and update our policies and procedures in place for the areas identified. We will ensure the census data gets reviewed and updated timely in the future.*

2020-4

Documentation of Process Reviews

Condition:

School Board management has communicated to us that there are controls in place for the review of certain federal program reports and depreciation schedules. We corroborated that the controls were in place during our audit procedures. However, we noted that these reviews are not evidenced by the signing or initialing the documents or utilizing any form of documentation of review.

Recommendation:

We recommend that the review of federal program reports and depreciation schedules be evidenced on the documents themselves or the use of an end of month/quarter checklist indicating the date of the review and the person that performed the review.

Management's  
Response:

*We concur with the recommendation and will implement procedures to confirm the review process is being followed.*

We have discussed these comments and suggestions with management, and we would be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the School Board staff for their cooperation with us during the performance of the audit.

This letter is intended solely for the information and use of the Pointe Coupee Parish School Board, management of the Pointe Coupee Parish 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.

*Postlethwaite & Netterville*

## **STATUS OF PRIOR YEAR REPORT TO MANAGEMENT**

### **2019-1**

#### **Performance and Statistical Schedules**

**Condition:**

The data provided on the performance and statistical schedules did not contain the accurate education and experience data for certain staff. This is a result of a previous software conversion undertaken by the School Board in which the information was not updated appropriately.

**Recommendation:**

We recommend that the School Board review the information contained on the required performance and statistical schedules for accuracy and completeness

**Management's  
Response:**

*The School Board has implemented steps to address the items noted. I have scheduled some time in January 2020 with a consultant from PowerSchool to review the schedules being generated by the software. We will determine if modifications can be made to the current schedules, or if we need to create new schedules to ensure accuracy in the future.*

**Current status:**

*While there has been some improvement, there continues to remain some differences in including all staff on the appropriate schedules, and accurate education or experience information. Thus, the matter included as comment 2020-1 for the current period.*

### **2019-2**

#### **Sales Tax Fund Allocations**

**Condition:**

School Board policy requires that the certain salary and benefit amounts for qualifying employees be allocated to the Sales Tax Fund. During our testing we noted some small differences in the amounts allocated and amounts that were approved by the School Board.

**Recommendation:**

We recommend that the School Board reevaluate its internal processes and controls for determining this allocation to ensure that the allocation is performed in accordance with Board policy.

**Management's  
Response:**

*The School Board will continue to work with the software company to improve allocations as directed by the Board. I have talked to our customer relations specialist with our financial software company. I informed him of this issue and the importance of these allocations being accurate and consistent. Our software is going to be upgraded to the newest version this Spring or Summer. During this upgrade, we are going to work on modifications to the Software so the sales tax payroll allocations can be more accurate.*

**Current status:**

*The School Board still had some differences between the amounts allocated to the sales tax fund and the amounts approved by the School Board. Thus, the matter is included as comment 2020-2 for the current period.*

**2019-3**

**Enhancement of Policies and Procedures**

**Condition:**

During the performance of our statewide agreed-upon procedures engagement, we reviewed several control and compliance areas including those pertaining to maintenance of written policies and procedures. Certain of these areas were identified as having opportunities for improvement.

**Recommendation:**

While the School Board maintains written policies and procedures over most transactions and significant areas, it was noted that these written policies and procedures could be strengthened to reflect certain best practices as recommended by the legislative auditor, particularly those regarding purchasing, contracting, credit cards, travel expenses, ethics, and debt service.

**Management's**

**Response:**

*The School Board will review the best practices recommended by the legislative auditor in these areas identified as having opportunities for improvement. We will incorporate policies and procedures to ensure these areas are improved.*

**Current status:**

*The School Board has implemented the recommendation. Thus, the matter is considered resolved.*

**2019-4**

**Total Other Post-Employment Benefits Liability Census Data**

**Condition:**

During the performance of our audit procedures, we noted that certain portions of the census data used for the total other post-employment benefits liability were not updated or did not contain accurate information. While the actuary was able to perform alternative procedures related to the data in order to perform the valuation, it is important that this data be kept up-to-date.

**Recommendation:**

We recommend that the School Board review the total other post-employment benefit census data to ensure that it is timely updated.

**Management's**

**Response:**

*We will review and update our policies and procedures in place for the areas identified. We will ensure the census data gets reviewed and updated timely in the future.*

**Current status:**

*The above recommendation has not been implemented by the School Board. Thus, the matter is included as comment 2020-3 for the current period.*

**2019-5**

**Documentation of Process Reviews**

**Condition:**

School Board management has communicated to us that there are controls in place for the review of certain federal program reports. We corroborated that the controls were in place during our audit procedures. However, we noted that these reviews are not evidenced by the signing or initialing the documents or utilizing any form of documentation of review.

**2019-5**

**Documentation of Process Reviews** (continued)

**Recommendation:**

We recommend that the review of federal program reports be evidenced on the documents themselves or the use of an end of month/quarter checklist indicating the date of the review and the person that performed the review.

**Management's  
Response:**

*We concur with the recommendation and will implement procedures to confirm the review process is being followed.*

**Current status:**

*The above recommendation has not been implemented by the School Board. Thus, the matter is included as comment 2020-4 for the current period.*