VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Financial Report

Year Ended June 30, 2022

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KOLDER, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT AUDITOR'S REPORT

Mr. Thomas Byler, Superintendent,
and Members of the Vermilion Parish School Board
Abbeville, Louisiana

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the other required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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 historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for the consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 21, 2022

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REQUIRED SUPPLEMENTARY INFORMATION (RSI)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

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

The MD&A is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board (GASB) Statement No. 34 (Statement). Certain comparative information between the current year (2021-22) and the prior year (2020-21) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

During the fiscal year ended June 30, 2016, the School Board was required to implement Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. This Statement makes it compulsory for all governmental agencies to record on their government wide statements, their share of retirement systems' financial data. At June 30, 2022, the School Board is required to report a liability of $55.9 million for its proportionate share of the retirement systems' net pension liability, as reflected in the Statement of Net Position on page 23.

During the fiscal year ended June 30, 2017, the board adopted the requirements of GASB Statement No. 75. This Statement requires the cost of post-employment healthcare to be recognized in the year when the employee services are received and recognized a liability for Other Post Employment Benefit (OPEB) obligations. At June 30, 2022, the School Board reported a liability of $127.5 million for this OPEB liability.

The requirement to record these liabilities has an extraordinarily adverse impact on the School Board's government wide statements and has created a negative net position. In spite of the requirement to record this "book" entry, the School System continues to be in a strong financial position.

The School Board's overall net position increased by $30.9 million from July 1, 2021 to June 30, 2022 as reported in the Statement of Activities on pages 24 and 25.

An analysis of the major revenue components is as follows:

> **Operating Grants –** Operating and capital grants and contributions for the Vermilion Parish School Board were $31.3 million for 2021-22. This is an increase of $7.6 million from 2020-21, which is mostly due to one-time grants received.

Minimum Foundation Program (MFP) – MFP is the funding formula from the state for school systems in Louisiana. The funding is based on a formula with many variables and two (2) primary levels of funding. Level one (1) funding is based on the number of students enrolled in the school system. Level two (2) funding is based on the dollar amount of local funding. The more local tax support received by a District, the more state support (MFP) we receive through level two funding. The School Board receives a percentage match in level two funding from the state for local contributions exceeding an established minimum amount. The unrestricted portion of the MFP funding was $58.9 million during 2021-22 as compared to $59.0 million for 2020-21.

Ad Valorem Taxes – Ad valorem taxes collected for general and specific purposes was $12.9 million for 2021-22, compared to the $13.2 million for the previous 2020-21 fiscal year.

Sales Taxes – Total sales tax collections for the Board's 1% General Fund levy and the ½% salaries and benefits levy were $14.1 million during the 2021-22 fiscal year, compared to $13.1 million the previous fiscal year.

Rentals, Leases and Royalties – 16th section revenues, which include oil and gas leases and royalties, as well as surface rentals, totaled $1.6 million for the 2021-22 fiscal year compared to $1.2 million for the 2020-21 fiscal year.

General – The other revenues of the School Board remained relatively stable when compared to prior years.

The expenses of the School Board, as reported in the Statement of Activities, were $104.1 million in 2021-22. The major expense components are as follows:

Salaries and related benefits - Salaries and related benefits are the School Board's largest expense items. Salaries and related benefits account for $84.3 million of total expenditures. Salaries and related benefits for the prior fiscal year were $78.8 million of total expenditures.

Self Insurance Fund – On April 25, 2002, the Board established a partially self-funded health insurance program. Blue Cross Blue Shield has been the board's third party administrator since May 1, 2016. The School Board's contribution to the health insurance program increased from $10.7 million in 2020-21 to $10.9 million in 2021-22.

Operation & Maintenance of Plant Services – The cost of maintaining parish facilities decreased from $30.5 million for 2020-21 to $10.4 million for 2021-22.

Facilities Acquisition and Construction – The amount spent for facilities acquisition and construction was $2.2 million in 2021-22, which was an increase from $1.2 million in the previous year.

Debt Service Payments – The debt service activity remained relatively consistent with the previous year.

Capital Projects – The Capital Projects Fund is being used to account for the parish wide restoration from the damages caused by the 2020 hurricanes.

The impact of implementing GASB 68 is as follows:

> **Net Pension Liability –** Effective with the 2014-15 fiscal year, the Board implemented Government Accounting Standards Board (GASB) Statement 68, which requires that the School Board's proportionate share of retirement systems' net pension liability be reported on the government wide statements. As reflected on Statement of Net Position on page 23, the board reported a net pension liability of $55.9 million as of June 30, 2022.

The impact of implementing GASB 75 is as follows:

> **OPEB Obligation –** Effective with the 2016-17 fiscal year, the Board implemented Government Accounting Standards Board (GASB) Statement 75, which requires that the cost of post employment healthcare to be recognized in the year when the employee services are received and recognized a liability for Other Post Employment Benefit (OPEB) obligations. At June 30, 2022, the School Board reported a liability of $127.5 million for this OPEB liability.

USING THIS FINANCIAL REPORT

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

The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's financial picture.

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

REPORTING THE SCHOOL BOARD AS A WHOLE

Statement of Net Assets and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the School Board as a whole and its activities in a way to try to inform the reader as to how the School Board did financially during the 2021-22 fiscal year.

In short, is the School Board better off financially or is it worse off financially than it was this time last year? These statements report all assets and liabilities of the School Board on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

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

The Board must include the net pension liability in the Statement of Net Position as required by GASB Statement No 68. These requirements are described in note 10 on pages 59 through 60. The net effect of this reporting requirement is to include $55.9 million in long-term liabilities on the Statement of Net Position.

The Board also included Other Post Employment Benefits (OPEB) liabilities in the Statement of Net Position as required by GASB Statement No. 75. These requirements are described in note 14 on pages 76 through 77. The net effect of this reporting requirement is to include $127.5 million in long-term liabilities on the Statement of Net Position.

The Statement of Net Position and the Statement of Activities report the governmental activities of the School Board. Most of the School Board's programs and services are reported here including instruction, support services, operating and maintenance of plant, student transportation, and child nutrition programs.

REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the School Board's major funds begins on page 28. Fund Financial Statements provide detailed information about the School Board's major funds. The School Board uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School Board's most significant funds. The School Board's major governmental funds for the 2021-22 fiscal year are the General Fund, ESSER Funds, Capital Projects Fund, and the Permanent Fund.

The Vermilion Parish School Board's non-major governmental funds for the 2021-22 fiscal year are the 1998 and 1996 Ad Valorem Tax Funds, the Titles I, II III and IV Funds, the Education_Excellence Fund, the IDEA Fund, the Pre-School Flow-Through Fund, the School Lunch/Breakfast Fund, the TASC Fund, the Preschool LA-4 Fund, the 2009 Sales Tax Fund, the School Wide Positive Behavior Fund, the Child Care & Development Fund, the Carl Perkins Fund, and the School Activity Fund.

Governmental Funds

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

Proprietary Funds

On April 25, 2002, the School Board established a partially self-insured group health insurance program. A separate internal service fund was created to accumulate funds designated for the payment of health care claims, insurance and associated costs of school system employees, retirees and their covered dependents. The School Board has procured insurance with both a specific and aggregate stop loss. Transactions related to meeting the claims incurred in these areas are accounted for in the Internal Service Proprietary Fund. Expenses in the Group Insurance Fund are recognized as claims are incurred. Liabilities are recognized for incurred but unpaid claims. The Internal Service Proprietary Fund transactions are reported on pages 34 through 36 in a separate section consisting of a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows.

THE SCHOOL BOARD AS TRUSTEE

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its Sales Tax Collection Fund. All of the School Board's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes of Fiduciary Net Position on pages 37-38. These activities have been excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Non-Expendable Trust Fund

As explained in note 17 on page 81, the Vermilion Parish School Board established the Daniel R. Dartez Education Public Trust on June 11, 1996. The Trust was established using excess oil and gas revenues and was set-up to help meet the capital outlay needs of the School System. The Trust is administered by a board of trustees which consists of individuals charged with the responsibility of maintaining a high quality investment portfolio which maximizes income within acceptable levels of risk. The trustees operate independent of the School Board, but the trust earnings are dedicated to the School Board. The activities of the Trust Fund are reported in the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance on pages 28 through 31.

The School Board as a Whole

The School Board's net position at June 30, 2022 was $(136.3) million, this included $34.2 million of restricted net position. Restricted net position is reported separately to show legal constraints from trust and debt covenants and enabling legislation that limit the School Board's ability to use it for day-to-day operations. The following analysis focuses on the net position (Table 1) and change in net position (Table 2) of the School Board's governmental activities.

Table 1
Governmental Activities
Net Position
June 30, 2022
(In Millions)

(With Comparative Totals for June 30, 2021)

	Year Ended June 30	
	2022	2021
Assets		
Current and other assets	**$ 80.1**	$ 72.5
Capital assets	**67.5**	54.7
Total assets	**$ 147.6**	$ 127.2
Deferred Outflows-Pensions	**$ 24.9**	$ 38.5
Liabilities		
Current and other liabilities	**$ 18.0**	$ 18.1
Long-term liabilities	**209.3**	300.6
Total liabilities	**$ 227.3**	$ 318.7
Deferred Inflows-Pensions	**$ 81.6**	$ 14.3
Net Position		
Net investment in capital assets	**$ 56.2**	$ 53.1
Restricted	**34.2**	31.7
Unrestricted	**(226.7)**	(252.1)
Total net position	**$ (136.3)**	$ (167.3)

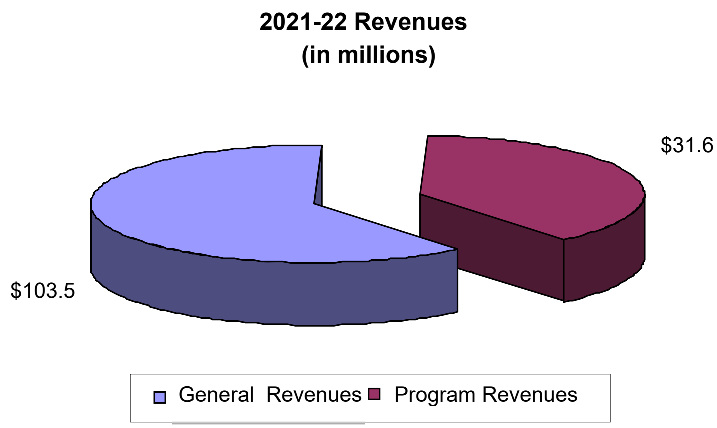
The balance of $(136.3) million in unrestricted net position, represents the accumulated results of all past years' operations. The negative position was created by the implementation of GASB Statements 68 and 75 as explained earlier in the MD&A.

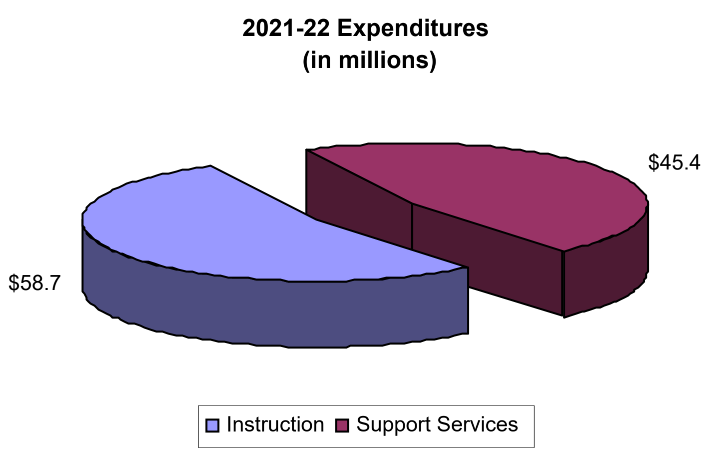
The results of this year's operations for the School Board as a whole are reported in the Statement of Activities on pages 24 and 25. Table 2 below reports the information from the Statement of Activities in a different format so that total revenues and expenses for the year can be more easily identifiable.

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

	Year Ended June 30	
	2022	2021
Revenues:		
Program revenues:		
Charges for services	**$ 0.2**	$ 0.1
Operating grants and contributions	**31.3**	23.7
Capital grants and contributions	**0.1**	0.0
General revenues:		
Ad valorem taxes	**12.9**	13.2
Sales taxes	**14.1**	13.1
State equalization	**58.9**	59.0
Rentals, leases and royalties	**1.6**	1.2
Other general revenues	**16.0**	20.6
Total revenues	**$ 135.1**	$ 130.9
Functions/Program Expenses:		
Instruction:		
Regular programs	**$ 30.8**	$ 41.8
Special education programs	**8.3**	11.3
Vocational programs	**2.0**	2.7
Other instructional programs	**17.6**	16.2
Support services:		
Pupil support services	**5.2**	6.4
Instructional staff support services	**4.3**	5.2
General administration	**3.3**	3.8
School administration	**4.6**	6.1
Business services	**0.7**	0.9
Plant services	**10.4**	30.5
Student transportation services	**4.3**	4.9
Central services	**0.9**	1.1
Food services	**9.0**	7.6
Facilities acquisition & construction	**2.2**	1.2
Interest on long-term debt	**0.4**	0.0
Community services programs	**0.1**	0.1
Total expenses	**$ 104.1**	$ 139.8
Change in net position	**$ 31.0**	$ (8.9)

A summary of Vermilion Parish School Board's 2021-22 revenues and expenditures is presented below:





Governmental Activities

As reported in the Statement of Activities on pages 24 and 25, the net cost of governmental activities this year was $72.6 million. The taxpayers in the parish provided $27.0 million in ad valorem and sales tax revenues to help meet the total cost of governmental activities. The state contributed $58.9 million through the Minimum Foundation Program (MFP), which is the main funding source for the School Board. The balance of the cost of governmental activities for the year was provided through state and Federal grants and from revenues from Board owned property.

The cost of governmental activities exceeding restricted state and Federal grants and charges for services must be paid by the citizens of Vermilion Parish and unrestricted state grants. The following presentation shows the portion of governmental activities that must be paid by the citizens of Vermilion Parish and unrestricted state grants.

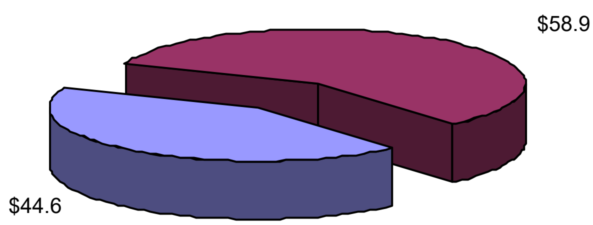


Table 3 presents the total cost of each of the School Board's five largest functions – regular programs, special education programs, plant services, pupil support services and school administration, as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows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

Table 3
Governmental Activities
Fiscal Year Ended June 30, 2022
(In Millions)

(With Comparative Totals for June 30, 2021)

	Total Cost of Services		Net Cost of Services	
	2022	2021	**2022**	2021
Regular programs	**$30.8**	$41.8	**$(30.8)**	$(41.4)
Special education programs	**8.3**	11.3	**(7.0)**	(9.8)
Plant services	**10.4**	30.5	**(10.3)**	(30.5)
Pupil support services	**5.2**	6.4	**(3.7)**	(5.4)
School administration	**4.6**	6.1	**(4.6)**	(6.1)
Subtotal	**$59.3**	$96.1	**$(56.4)**	$(93.2)
All others	**44.8**	43.7	**(16.2)**	(46.6)
Total	**$104.1**	$139.8	**$(72.6)**	$(139.8)

The School Board Funds

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

Major Funds - The General Fund, ESSER Funds, Capital Projects Fund, and the Dr. Dan Dartez Trust Fund are the only major funds for the 2021-22 fiscal year. The General Fund's total fund balance at June 30, 2022 was $19.6 million. The Board assigned $1.0 million of the end of year General Fund balance. The Capital Projects Fund's total fund balance at June 30, 2022 was 8.2 million. The Dr. Dan Dartez Trust Fund's total nonspendable fund balance at June 30, 2022 was $14.2 million.

The standard recommendation is to have at least 10% of the General Fund's budgeted expenditures in unassigned fund balance. However, because of the Board's reliance on oil and gas, a contingent source of revenue, the goal of Vermilion Parish School Board's management has been set at 15%.

Non-major Governmental Funds – The non-major funds' fund balances were generally stable with a consistent balance with the previous year.

General Fund Budgetary Highlights

The School Board, in accordance with state law, must adopt a budget on the General Fund and all Special Revenue Funds prior to September 15 of each year. In accordance with state law the School Board may have variances of 5 percent of total revenues or expenditures in a fund before it is legally required to amend the budget. The School Board adopted its 2021-22 budget on August 19, 2021, and revised the budget on August 19, 2022. In the revision, the total original General Fund budgeted revenues and other financing sources decreased from $86.2 million to $85.4 million. The total budgeted General Fund expenditures and other financing uses decreased from $86.2 million to $86.1 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

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

At June 30, 2022 the School Board had $67.5 million invested in land, buildings and improvements and furniture and equipment, net of depreciation. Net capital assets increased $12.7 million from the prior year. In accordance with State guidelines, beginning July 1, 2008, items costing less than $5,000 are considered supplies. Table 4 presents capital assets net of depreciation at June 30, 2022.

Table 4
Governmental Activities
Capital Assets at Year-end
Net of Depreciation
June 30, 2022

(With Comparative Totals for June 30, 2021)

	2022	2021
Land	**$ 1,755,833**	$ 1,755,833
Construction in Progress	**15,833,520**	112,336
Buildings and improvements	**45,729,646**	49,020,881
Furniture and equipment	**4,136,160**	3,824,560
Total	**$67,455,159**	$54,713,610

Debt

At June 30, 2022, the school board had $21,246,000 in certificates of indebtedness outstanding. Of this amount outstanding, $380,000 is due within one year. Table 5 summarizes bonds and certificates of indebtedness outstanding at June 30, 2022.

Table 5
Governmental Activities
Outstanding Debt
June 30, 2022

(With Comparative Totals for June 30, 2021)

	2022	2021
Certificates of Indebtedness:		
Series 2011 – Refinance/Consolidate Debt	**$ 200,000**	$ 400,000
Series 2016 – Mitigation Project	**362,000**	447,000
Series 2018 – Dozier Multi-Purpose Building	**684,000**	775,000
Series 2021 – VPSB Recovery Project	**20,000,000**	10,000,000
Total	**$21,246,000**	$11,622,000

The proceeds of the Series 2011 certificates of indebtedness were used to refinance the outstanding obligation for the Series 2008 certificates of indebtedness and to add funding for a portion of the construction costs of the North Vermilion Middle School complex. The certificates will be paid out in 2023.

The proceeds of the Series 2016 certificates of indebtedness were used to finance the board's share of the cost of a mitigation project at Erath High School and Erath Middle School. The certificates will be paid out in 2026.

The proceeds of the Series 2018 certificates of indebtedness were used to construct a multi-purpose building at Dozier Elementary School. The certificates will be paid out in 2029.

The proceeds of the Series 2021 certificates of indebtedness were used to finance the board's share of the cost of the hurricane recovery project at schools that were affected by hurricane damage. The certificates will be paid out in 2026.

The state limits the amount of general obligation debt that school boards can issue to 25 percent of the assessed value of all taxable property within the School Board's corporate limits. At June 30, 2022, Vermilion Parish School Board's maximum legal debt limit was $107,359,385. The District's outstanding general obligation bonded debt of $21,246,000 is well below the maximum debt limit.

Other long-term obligations of the School Board include accrued vacation pay and sick leave. More detailed information about long-term obligations is presented on pages 57-58 in note 8 to the basic financial statements. In addition to these liabilities, the Board has also accrued other post-employment benefits (OPEB) payable and the net pension liability in accordance with GASB 68 and GASB 75 requirements.

FOR THE FUTURE

As we begin the 2022-23 fiscal year, we once again realize that district and school performance in Vermilion are the result of many years of investing and hiring high quality employees who are always doing what is best for students. Administrators and supervisors have tirelessly supported teachers to achieve high levels of success with our students. Our support employees take care of all of the other needs of the students so that teachers can focus their efforts on curriculum and instruction. Without this coordinated effort from all Vermilion School System employees, our students would not be experiencing such high levels of success in the classroom.

We will continue to make every effort to stabilize our financial future. Extraordinary increases in required contributions to employee retirement systems, increases in contributions to the employee group health insurance program, recovery from the hurricanes of 2020, and the implications of COVID-19 have created concerns for the upcoming fiscal years.

As the Educational System moves into the ensuing budget year, management will continue to monitor all expenditures and wherever possible, propose departmental restructuring, reconsider the necessity of vacant positions and monitor individual budget line items searching for possible additional adjustments.

The General Fund unassigned fund balance of $18.1 million as of June 30, 2022 was 21.0% of the 2021-22 budgeted expenditures. In addition to this unassigned fund balance, the Board has assigned $1.0 million to cover FEMA contingencies. An additional $0.5 million is classified as non-spendable because of inventories on hand and prepaid expenditures.

As the System moves along this course, we will continue to exercise financial caution. It is important that we continue conducting the financial operations of the School System in a conservative and responsible manner.

Although the administration has concerns about the future, if we continue to operate in a fiscally conservative manner, we will be able to address all of those concerns. Management is committed to keeping the Vermilion Parish School System in a strong financial position.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information contact Eric Johnson, Chief Financial Officer, Vermilion Parish School Board, P.O. Drawer 520, Abbeville, LA 70511-0520 or call at (337) 898-5705 or e-mail to eric.johnson@vpsb.net.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Statement of Net Position
Governmental Activities
June 30, 2022

ASSETS

Cash and interest-bearing deposits	$ 54,606,015
Investments	14,025,842
Receivables	10,634,884
Inventory	898,527
Prepaid expense	1,459
Capital assets:	
Non-depreciable	17,589,353
Depreciable, net	49,865,806
Total assets	147,621,886

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - pensions	20,185,639
Deferred outflows of resources - OPEB	4,722,103
Total Deferred outflows of resources	24,907,742

(Continued)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Statement of Net Position (Continued)
Governmental Activities
June 30, 2022

LIABILITIES	
Accounts, salaries and other payables	17,807,477
Unearned revenue	119,161
Interest payable	110,191
Long-term liabilities:	
Due within one year	380,000
Due in more than one year:	
Bonds payable	20,866,000
Compensated absences	4,618,377
Other postemployment benefits payable	127,485,445
Net pension liability	55,900,435
Total liabilities	227,287,086
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pensions	38,331,459
Deferred inflows of resources - OPEB	43,249,290
Total Deferred inflows of resources	81,580,749
NET POSITION	
Net investment in capital assets	56,209,159
Restricted for:	
Tax dedications	951,475
Capital projects	8,191,757
Trust principal	14,190,058
Other	10,834,385
Unrestricted	(226,715,041)
Total net position	$ (136,338,207)

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:					
Instruction:					
Regular programs	$ 30,760,759	$ -	$ 685,344	$ -	$ (30,075,415)
Special education programs	8,293,302	136,061	1,174,808	-	(6,982,433)
Vocational education programs	2,023,245	-	135,485	-	(1,887,760)
Other instructional programs	6,301,123	-	1,376,666	-	(4,924,457)
Special programs	11,380,830	-	13,012,031	-	1,631,201
Support services:					
Pupil support services	5,174,092	-	1,454,308	-	(3,719,784)
Instructional staff support services	4,309,512	-	1,757,066	-	(2,552,446)
General administration	3,270,269	-	137,610	-	(3,132,659)
School administration	4,593,249	-	6,921	-	(4,586,328)
Business services	751,595	-	14,237	-	(737,358)
Operation and maintenance of plant services	10,379,501	-	72,941	-	(10,306,560)
Student transportation services	4,348,056	-	67,202	-	(4,280,854)
Central services	914,210	-	19,787	-	(894,423)
Non-instructional services:					
Food services	8,995,563	32,606	11,354,288	-	2,391,331
Community service programs	82,655	-	-	-	(82,655)
Facilities acquisition and construction	2,166,813	-	-	117,228	(2,049,585)
Interest on long-term debt	367,668	-	-	-	(367,668)
Total governmental activities	$ 104,112,442	$ 168,667	$ 31,268,694	117,228	(72,557,853)

(continued)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Statement of Activities (Continued)
For the Year Ended June 30, 2022

Taxes:	
Ad valorem taxes, levied for general purposes	1,833,487
Ad valorem taxes, levied for special purposes	11,025,620
Sales and use taxes, levied for general purposes	14,139,950
State revenue sharing	151,554
Grants and contributions not restricted to specific programs:	
State source - Minimum Foundation Program	58,900,607
State source - PIPS	21,280
Interest and investment earnings	(906,581)
Rentals, leases and royalties	1,587,733
Nonemployer pension contribution	398,174
Miscellaneous	16,328,525
Gain on disposal of capital assets	19,190
Total general revenues	103,499,539
Change in net position	30,941,686
Net position, beginning	(167,279,893)
Net position, ending	$ (136,338,207)

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

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FUND FINANCIAL STATEMENTS (FFS)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Balance Sheet
Governmental Funds
June 30, 2022

	General	ESSER Funds	Capital Projects	Permanent Fund	Other Governmental	Total
ASSETS						
Cash and interest-bearing deposits	$ 23,969,176	$ -	$ 10,356,702	$ 125,848	$ 10,533,472	$ 44,985,198
Investments	-	-	-	14,025,842	-	14,025,842
Receivables	1,324,276	2,925,327	1,248,025	-	5,005,121	10,502,749
Due from other funds	4,327,196	-	-	-	-	4,327,196
Inventory	541,085	-	-	-	357,442	898,527
Accrued interest receivable	82,036	-	-	50,099	-	132,135
Prepaid expenses	1,459	-	-	-	-	1,459
Total assets	$ 30,245,228	$ 2,925,327	$ 11,604,727	$ 14,201,789	$ 15,896,035	$ 74,873,106
LIABILITIES						
Accounts payable	$ 643,095	$ 191,473	$ 2,497,136	$ 11,731	$ 458,140	$ 3,801,575
Accrued salaries payable	9,849,383	841,195	-	-	1,413,413	12,103,991
Contracts payable	-	-	256,514		-	256,514
Retainage payable	7,430	-	659,320	-	155,315	822,065
Due to other funds	-	1,892,659	-	-	2,434,537	4,327,196
Unearned revenue	119,161	-	-	-	-	119,161
Total liabilities	10,619,069	2,925,327	3,412,970	11,731	4,461,405	21,430,502
FUND BALANCES						
Nonspendable	542,544	-	-	14,190,058	357,442	15,090,044
Restricted	-	-	8,191,757	-	11,077,188	19,268,945
Assigned	1,000,000	-	-	-	-	1,000,000
Unassigned	18,083,615	-	-	-	-	18,083,615
Total fund balances	19,626,159	-	8,191,757	14,190,058	11,434,630	53,442,604
Total liabilities and fund balances	$ 30,245,228	$ 2,925,327	$ 11,604,727	$ 14,201,789	$ 15,896,035	$ 74,873,106

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

Total fund balances for governmental funds		$ 53,442,604
Capital assets, net		67,455,159
Long-term liabilities:		
Bonds payable	$ (21,246,000)	
Compensated absences payable	(4,618,377)	
Accrued interest payable	(110,191)	(25,974,568)
Pension:		
Net pension liability	(55,900,435)	
Deferred inflows of resources related to net pension liability	(38,331,459)	
Deferred outflows of resources related to net pension liability	20,185,639	(74,046,255)
Other Post Employment Benefits (OPEB):		
Net OPEB obligation payable	(127,485,445)	
Deferred outflows of resources related to total OPEB liability	4,722,103	
Deferred inflows of resources related to total OPEB liability	(43,249,290)	(166,012,632)
Net position of the internal service fund		8,797,485
Total net position of governmental activities		$ (136,338,207)

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2022

	General	ESSER Funds	Capital Projects	Permanent Fund	Other Governmental	Total
Revenues						
Local sources:						
Ad valorem taxes	$ 1,833,487	$ -	$ -	$ -	$ 11,025,620	$ 12,859,107
Sales taxes	9,426,609	-	-	-	4,713,341	14,139,950
Food services	-	-	-	-	32,606	32,606
Other	3,038,566	-	9,854,239	(1,211,777)	5,463,117	17,144,145
Total local sources	14,298,662	-	9,854,239	(1,211,777)	21,234,684	44,175,808
State sources	59,376,154	-	-	-	1,731,519	61,107,673
Federal sources	-	11,093,005	-	-	17,823,207	28,916,212
Other commodities	-	-	-	-	435,478	435,478
Total revenues	73,674,816	11,093,005	9,854,239	(1,211,777)	41,224,888	134,635,171
Expenditures						
Current:						
Instruction -						
Regular programs	35,456,711	419,169	-	-	1,843,220	37,719,100
Special education programs	8,945,957	51,913	-	-	1,205,593	10,203,463
Vocational education programs	2,310,146	-	-	-	135,485	2,445,631
Other instructional programs	1,892,464	1,065,476	-	-	3,827,519	6,785,459
Special programs	643,476	7,115,663	-	-	4,733,534	12,492,673
Support services -						
Pupil support services	4,859,129	356,324	-	-	1,098,434	6,313,887
Instructional staff support services	3,420,536	345,181	-	-	1,414,082	5,179,799
General administration	2,374,305	-	509,430	48,979	503,939	3,436,653
School administration	5,532,473	6,921	-	-	192,630	5,732,024
Business services	888,841	-	-	-	14,237	903,078
Operation and maintenance of plant services	10,339,821	59,420	12,350,209	-	154,258	22,903,708
Student transportation services	5,004,600	-	-	-	742,237	5,746,837
Central services	903,350	19,787	-	-	161,535	1,084,672
Non-instructional services -						
Food services	-	-	-	-	9,589,325	9,589,325
Community service programs	79,993	-	-	-	-	79,993
Facilities acquisition and construction	799,010	117,228	1,453,004	-	3,430,763	5,800,005

(continued)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
For the Year Ended June 30, 2022

	General	ESSER Funds	Capital Projects	Permanent Fund	Other Governmental	Total
Debt service:						
Principal retirement	-	-	-	-	376,000	376,000
Interest and fiscal charges	-	-	-	-	312,205	312,205
Legal and technical fees	-	-	-	-	2,400	2,400
Total expenditures	83,450,812	9,557,082	14,312,643	48,979	29,737,396	137,106,912
Excess (deficiency) of revenues over expenditures	(9,775,996)	1,535,923	(4,458,404)	(1,260,756)	11,487,492	(2,471,741)
Other financing sources (uses):						
Proceeds from sale of capital assets	22,518	-	-		-	22,518
Proceeds from issuance of debt	-	-	10,000,000	-	-	10,000,000
Transfers in	13,428,964	-	-	-	1,334,334	14,763,298
Transfers out	(572,827)	(1,535,923)	-	(375,612)	(12,278,936)	(14,763,298)
Total other financing sources (uses)	12,878,655	(1,535,923)	10,000,000	(375,612)	(10,944,602)	10,022,518
Net change in fund balances	3,102,659	-	5,541,596	(1,636,368)	542,890	7,550,777
Fund balances, beginning	16,523,500	-	2,650,161	15,826,426	10,891,740	45,891,827
Fund balances, ending	$ 19,626,159	$ -	$ 8,191,757	$ 14,190,058	$ 11,434,630	$ 53,442,604

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

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VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2022

Net change in fund balances of governmental funds		$ 7,550,777
Capital assets:		
Capital outlay	$17,264,396	
Depreciation expense	(4,521,111)	12,743,285
Long-term debt:		
Principal payments on long term debt	376,000	
Bond proceeds	(10,000,000)	
Increase in accrued interest payable	(53,063)	
Compensated absences used	109,775	(9,567,288)
Net revenue (expense) of the internal service fund		197,708
Transactions involving capital assets:		
Gain on disposal	19,190	
Proceeds on disposal of assets	(20,926)	(1,736)
Effect of the change in net pension liability and total OPEB liability and the related deferred outflows/inflows of resources:		
Decrease in pension expense	14,642,327	
Nonemployer pension contribution revenue recognized	398,174	
Increase in expense - OPEB	4,978,439	20,018,940
Changes in net position for the year per Statement of Activities		$ 30,941,686

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Proprietary Fund
Governmental Activities - Group Insurance Fund
Statement of Net Position
June 30, 2022

ASSETS	
Current assets:	
Cash and interest-bearing deposits	$ 9,620,817
LIABILITIES	
Current liabilities:	
Claims payable	823,332
NET POSITION	
Net position:	
Unrestricted	$ 8,797,485

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Proprietary Fund
Governmental Activities - Group Insurance Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
Year Ended June 30, 2022

Operating revenue:	
Premiums	$ 18,538,938
Other	321,243
Total operating revenue	18,860,181
Operating expenses:	
Administration	892,522
Insurance	1,233,637
Claims	16,583,938
Central services	31,097
Total operating expenses	18,741,194
Operating income	118,987
Nonoperating revenue:	
Interest earned on interest-bearing deposits	78,721
Change in net position	197,708
Net position, beginning	8,599,777
Net position, ending	$ 8,797,485

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Proprietary Fund
Governmental Activities - Group Self Insurance
Statement of Cash Flows
Year Ended June 30, 2022

Cash flows from operating activities:	
Receipts from participants	$ 18,538,938
Payments to suppliers	(19,126,844)
Other receipts	321,243
Net cash used by operating activities	(266,663)
Cash flows from investing activities:	
Interest income	78,721
Net decrease in cash and interest bearing deposits	(187,942)
Cash and interest bearing deposits, beginning of period	9,808,759
Cash and interest bearing deposits, end of period	$ 9,620,817

Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 118,987
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase (decrease) in current liabilities:	
Accounts payable	(7,310)
Claims payable	(378,340)
Net cash used by operating activities	$ (266,663)

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Sales Tax Fund
ASSETS	
Cash and interest bearing deposits	$ 4,001,033
LIABILITIES	
Accounts payable	2,921,643
NET POSITION	
Net position held for others	$ 1,079,390

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Statement of Changes in Fiduciary Net Position
June 30, 2022

	Sales Tax Fund
Additions:	
Tax collections	$ 49,424,699
Interest income	28,914
Total additions	49,453,613
Deducitons:	
Tax disbursements	49,441,126
Change in net position	12,487
Net position, beginning	1,066,903
Net position, ending	$ 1,079,390

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

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Vermilion Parish School Board (School Board) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The School Board was created by Louisiana Revised Statute (LRS-R.S.) 17:51 to provide public education for the children within Vermilion Parish. The School Board is authorized by LRS-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 20 schools within the parish with a total enrollment of 9,424 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the School Board, the primary government, as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The School Board's internal service fund is a governmental activity. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

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 separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the School Board.

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

1. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

2. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The School Board reports the following major governmental funds:

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

Special Revenue Funds – Elementary and Secondary School Emergency Relief Funds (ESSER)

The Elementary and Secondary School Emergency Relief Funds are federal grants for the purpose of providing emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the nation.

Capital Projects Fund accounts for the resources and expenditures of the School Board that are used for specific capital construction projects.

Permanent Fund – Dr. Daniel R. Dartez Educational Public Trust Fund

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings and not principal, may be used for purposes that support the School Board's programs. On June 11, 1996, pursuant to Louisiana Revised Statute LSR-R.S. 17:81(m), the School Board established a nonexpendable trust fund. Trust principal is derived from surplus revenues and may not be used for expenditures. Income from the investment of fund principal is restricted to meeting the capital outlay needs of the Vermilion Parish School System.

In addition, the School Board reports the following:

Internal Service Fund

The Internal Service Fund is used to account for the accumulation of resources for and the payment of benefits by the School Board's group self-insurance program. The Government's internal service fund is presented in the proprietary fund's financial statements. Because the principal users of the internal services are the Government's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

Fiduciary funds

The School Board's fiduciary fund is considered a custodial fund and is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Government, these funds are not incorporated into the government-wide statements.

C. Measurement Focus/ Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, the governmental activities are presented using the economic resources measurement focus as defined in item 2 below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

1. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

2. The proprietary (internal service) fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized in accordance with the requirements of GASB.

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

Allocation of indirect expenses

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means being collectible within the current period or within 60 days after year-end. Expenditures (including facilities acquisition and construction) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

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

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

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

Substantially all other revenues are recorded when received.

Expenditures

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

In the Statement of Activities, compensated absences are recognized as expenditures when leave is actually earned.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Principal and interest on general long-term obligations are not recognized until due.

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

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Other Financing Sources (Uses)

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

Unearned Revenues

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

In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized. Recognition of revenue from ad valorem tax collections has been delayed in instances where the School Board has been advised by the tax collecting authority that certain amounts have been paid in protest. Recognition of revenue from minor federal and state grant advances has been delayed to the next fiscal year to allow proper matching of revenues and expenditures.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the School Board. For the purpose of the proprietary fund statement of cash flows, "cash and interest-bearing deposits" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

Investments

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

Interfund receivables and payables

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

Receivables

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

Inventories

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

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

Inventory of the School Lunch/Breakfast 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 and expenditures when consumed. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

Capital Assets

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

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

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

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

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

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

Compensated Absences

All 12-month employees earn from 12 to 18 days of vacation leave each year, depending on their length of service with the School Board. Annual leave earned after June 30, 2002, will be accrued to a maximum of forty (40) days. Annual leave earned prior to June 30, 2002 is not subject to this limitation and will be available in full for use by employees. Leave accrued prior to June 30, 2002, may not be used until leave accrued subsequent to that date has been fully exhausted. Employees may only use 18 consecutive days if approved by the superintendent. Upon retirement or termination of employment, the employee may choose to be paid for any unused accumulated annual leave at the employee's daily rate of pay or may convert such unused accumulated annual leave to service credit for retirement purposes if allowed by the retirement system.

All employees earn from 10 to 13 days of sick leave each year, depending on the number of months of the school year they are employed by the School Board. Sick leave may be accumulated. Upon death or retirement, unused accumulated sick leave of up to 25 days is paid to employees (or heirs) at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers' Retirement system and for sick leave earned under the Louisiana School Employees Retirement System all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service. Employees are not compensated for unused sick leave upon resignation. However, employees who resign from Vermilion Parish School Board and begin employment in another district may transfer unused sick leave to the new district. In cases of layoffs and callbacks, employees are credited with unused sick leave balances at the time they are reinstated to service.

Act 1341 of 1999 changed the extended sick leave (gayle pay) regulations for public school employees. The Act provides that if teachers and school bus operators have no remaining sick leave, they are allowed up to 90 days extended sick leave in a six-year period. During these 90 days, the employee is paid 65% of their pay at the time that the leave begins. The School Board has adopted portions of Act 788 effective July 1, 2012, which redefines how school employees can qualify for extended sick leave.

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

The cost of current leave privileges is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded the general fund.

Long-term debt

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

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds and certificates of indebtedness.

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Equity Classifications

In the government-wide statements, net position is displayed in three components:

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The School Board reported $14,190,058 of restricted net position, which is restricted by enabling legislation.

c. Unrestricted net assets – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

Fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Board members.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the School Board's adopted policy, only Board members or the Board's finance committee may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of June 30, 2022, fund balances are composed of the following:

	General	Capital Projects	Permanent Fund	Nonmajor Funds
Nonspendable:				
Prepaid items	$ 1,459	$ -	$ -	$ -
Inventory	541,085	-	-	357,442
Nonexpendable trust	-	-	14,190,058	-
Total nonspendable	542,544	-	14,190,058	357,442
Restricted:				
Debt service	-	-	-	874,610
Special revenue funds	-		-	10,202,578
Capital projects	-	8,191,757	-	-
Total restricted	-	8,191,757	-	11,077,188
Assigned:				
FEMA contingencies	1,000,000	-	-	-
Total	$ 1,542,544	$8,191,757	$ 14,190,058	$ 11,434,630

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Board members or the finance committee has provided otherwise in its commitment or assignment actions.

E. Revenue Restrictions

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

Revenue Source	Legal Restrictions on Use
Ad valorem taxes	See Note 3
Sales taxes	See Note 9

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

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

G. Interfund Transfers

In the governmental funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

H. Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension, and pension expense, has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

I. Postemployment Benefits Other than Pensions (OPEB)

The net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Cash and Investments

A. Cash and Interest-Bearing Deposits

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

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The School Board does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances), are secured as follows:

Bank balances	$ 59,404,461
Insured deposits	$ 500,000
Uninsured and collateral held by the pledging bank not in the School Board's name	58,904,461
Total	$ 59,404,461

B. Investments

The carrying amounts and approximate market values of investments are summarized as follows:

Description	Interest Rate	Cost	Unrealized Gain/ (Loss)	Reported Amount/ Market Value
U.S. Treasury note	2.25%-2.75%	$ 1,676,968	$ (80,432)	$ 1,596,536
FNMA obligations	2.00% - 4.00%	865,686	(62,590)	803,096
GNMA obligations	6.50% - 8.00%	6,588	491	7,079
Other government debt obligations	2.50% - 4.00%	923,761	(73,176)	850,585
Other non-government debt obligations	1.45% - 3.96%	5,191,538	(478,027)	4,713,511
Equity securities	N/A	5,555,845	499,190	6,055,035
Total investments		$ 14,220,386	$ (194,544)	$ 14,025,842

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The School Board's investment policy limits the average effective maturity of the bond portfolio to 10 years and the average duration of the portfolio to 8 years as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the School Board's debt type investments to this risk, using the segmented time distribution model is as follows:

		Investment Maturities (in Years)			
Description	Fair Value	Less than 1	1-5	6-10	Over 10
U.S. Treasury note	$ 1,596,536	$ -	$ 907,548	$ 688,988	$ -
FNMA obligations	803,096	-	140,252	40,199	622,645
GNMA obligations	7,079	-	2,802	4,277	-
Other government debt obligations	850,585	-	-	-	850,585
Other non-government debt obligations	4,713,511	1,156,024	2,679,435	878,052	-
Equity securities	6,055,035	6,055,035	-	-	-
Total investments	$ 14,025,842	$ 7,211,059	$ 3,730,037	$ 1,611,516	$ 1,473,230

Credit risk is managed by restricting investments to those authorized by R.S. 33:2955. Credit risk ratings for the School Board's investments from issuers totaling five percent or more of a portfolio are as follows:

	Rating	Amount
Federal National Mortgage Association	AA	$ 803,096
Federal Home Loan Mortgage Corporation	AA	$ 850,585

Concentration of credit risk: The School Board's investment policy limits its holdings to no more than 5 percent of the market value of the portfolio to be invested in any one issuer. There is no limit on U.S. Government and Agency holdings, with the exception of the non-insured Agency securities, such as the Federal National Mortgage Association (FNMA), which is governed by the 5 percent guideline. At June 30, 2022, no more than 5 percent of the investments were investments in any single issue.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the School Board will not be able to recover the value of its investment or collateral securities that are in the possession of another party. At June 30, 2022, the School Board held investments of $14,025,842 of which the underlying securities are held by the counterparty's trust department, not in the School Board's name.

The School Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The School Board has the following recurring fair value measurements:

Asset Class	Total Fair Value	Level 1	Level 2	Level 3
U.S. Treasury note	$ 1,596,536	$ 1,596,536	$ -	$ -
FNMA obligations	803,096	803,096	-	-
GNMA obligations	7,079	7,079	-	-
Other government debt obligations	850,585	850,585	-	-
Other non-government debt obligations	4,713,511	-	4,713,511	-
Equity securities	6,055,035	6,055,035	-	-
	$ 14,025,842	$ 9,312,331	$ 4,713,511	$ -

(3) Ad Valorem Taxes

For the year ended June 30, 2022, taxes of 39.82 mills were levied on property with assessed valuations and were dedicated as follows:

Parishwide Taxes:		
School employee salary and benefit tax (1998)	25.00	mills
Special school maintenance and operational tax (1996)	2.00	mills
Special school improvement tax (1996)	5.00	mills
School operations tax (1996)	3.00	mills
Total Special Revenue Funds	35.00	mills
School maintenance and operational tax (General Fund)	4.82	mills
Total assessment	39.82	mills

(4) Tax Abatements

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten year of its operation; after which the property will be added to the local tax roll and taxed at the value and millage in force at the time. The future value of this exempt property could be subject to significant fluctuations from today's value; however, the School Board could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed due, no adjustments have been made to the School Board's financial statements to record a receivable. The School Board's ad valorem tax revenues were reduced by $39,236 as a result of the tax abatement.

(5) Receivables

Receivables consisted of the following:

	Grants			Accrued	
	Federal	State	Accounts	interest	Totals
General Fund	$ -	$ 779,084	$ 545,192	$ 82,036	$ 1,406,312
ESSER Funds	2,925,327				2,925,327
Capital Projects Fund	-	-	1,248,025	-	1,248,025
Permanent Fund	-	-	-	50,099	50,099
Non-major funds	4,947,426	-	57,695	-	5,005,121
Total receivables	$ 7,872,753	$ 779,084	$ 1,850,912	$ 132,135	$ 10,634,884

(6) Capital Assets

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

	Balance Beginning	Additions	Deletions	Balance Ending
Capital assets not being depreciated:				
Land	$ 1,755,833	$ -	$ -	$ 1,755,833
Construction in progress	112,336	15,721,184	-	15,833,520
Total capital assets not being depreciated	1,868,169	15,721,184	-	17,589,353
Other capital assets:				
Buildings	84,250,467	5,000	-	84,255,467
Improvements	61,195,934	434,272	-	61,630,206
Vehicles	11,043,485	675,035	902,642	10,815,878
Equipment	3,380,400	428,905	22,858	3,786,447
Total capital assets being depreciated	159,870,286	1,543,212	925,500	160,487,998
Total capital assets	161,738,455	17,264,396	925,500	178,077,351
Less accumulated depreciation:				
Buildings	55,091,401	1,363,423	-	56,454,824
Improvements	41,334,119	2,367,084	-	43,701,203
Vehicles	7,806,856	656,740	902,642	7,560,954
Equipment	2,792,469	133,864	21,122	2,905,211
Total	107,024,845	4,521,111	923,764	110,622,192
Net capital assets	$ 54,713,610	$ 12,743,285	$ 1,736	$ 67,455,159

Depreciation expense was charged to governmental activities as follows:

Regular programs	$ 1,236,721
Special education programs	339,545
Vocational education programs	81,384
Other instructional programs	225,803
Special programs	415,724
Pupil support services	210,110
Instructional staff support services	172,371
General administration	114,363
School administration	190,747
Business services	30,052
Operation and maintenance of plant services	762,177
Student transportation services	191,240
Central services	36,095
Food services	319,108
Facility acquisition and construction	2,662
Community service programs	193,009
Total depreciation expense	$ 4,521,111

(7) Accounts, Salaries, and Other Payables

Accounts, salaries, and other payables consisted of the following:

Salaries and related benefits payable	$ 12,103,991
Accounts payable	3,801,575
Contract payable	256,514
Retainage payable	822,065
Health claims payable	823,332
Total payables	$ 17,807,477

(8) Long-Term Liabilities

A summary of long-term debt follows:

Direct placements and direct borrowings -	
$2,025,000 Revenue Bonds, Series 2011, due in annual installments of $140,000 to $200,000 through February 1, 2023; at an interest rate of 2.57% (to be retired from income derived from trust fund investments). No default provision is provided for in the bond document.	$ 200,000
$840,000 Limited Tax Bonds, Series 2016, due in annual installments of $72,000 to $94,000 through March 1, 2026; at an interest rate of 2.14% (to be retired from income derived from ad valorem taxes). No default provision is provided for in the bond document.	362,000
$950,000 Limited Tax Bonds, Series 2018, due in annual installments of $84,000 to $107,000 through March 2029; at an interest rate of 2.50% (to be retired from income derived from trust fund investments). No default provision is provided for in the bond document.	684,000
$20,000,000 Revenue Bonds, Series 2021, due in one installment of $20,000,000 on April 1, 2026; with interest due at an interest rate of 2.05% semi-annually on October 1 and April 1 through April 1, 2026 (to be retired from income derived from insurance proceeds and grant/reimbursements process through U.S. Federal Emergency Management Agency). See default provision below.	20,000,000
Total	$ 21,246,000

Default Provision - Events of default are outlined in the official statements of the Series 2021 bond and include failure to remit payments timely. In addition, failure to observe or perform any other agreement contained in the official statement that is not remedied within 30 days of receiving written notice will be considered a default. The remedies in the event of default are also outlined in the official bond statement and include steps for the issuers to pursue until the default is remedied. Such remedies include, but are not limited to, declaring all payments immediately due and payable.

Principal and interest payments on direct placement debt are due as follows:

	Governmental Activities		
Year Ending June 30,	Principal payments	Interest payments	Total
2023	$ 380,000	$ 232,204	$ 612,204
2024	184,000	223,596	407,596
2025	190,000	220,042	410,042
2026	20,196,000	215,950	20,411,950
2027	105,000	6,726	111,726
2028-2029	191,000	6,538	197,538
Totals	$21,246,000	$ 905,056	$ 22,151,056

Changes in General Long-Term Liabilities

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

	Balance Beginning	Additions	Reductions	Balance Ending	Due Within One Year
Direct placements and direct borrowings:					
Revenue Bonds, Series 2011	$ 400,000	$ -	$ 200,000	$ 200,000	$ 200,000
Limited Tax Bonds, Series 2016	447,000	-	85,000	362,000	87,000
Limited Tax Bonds, Series 2018	775,000	-	91,000	684,000	93,000
Revenue Bonds, Series 2021	10,000,000	10,000,000	-	20,000,000	-
Compensated absences	4,728,152	-	109,775	4,618,377	-
	$ 16,350,152	$ 10,000,000	$ 485,775	$ 25,864,377	$ 380,000

Compensated Absences

Compensated absences payable consists of the portion of accumulated sick and annual leave of the governmental funds that is not expected to require current resources. The liability for compensated absences is computed only at the end of each fiscal year; therefore, the decrease of $109,775 for fiscal year 2022, is the net of leave benefits accrued and paid during those years. Compensated absences have typically been liquidated by the School Board's General Fund and a few other governmental funds.

(9) Sales and Use Taxes

The School Board is authorized to collect within the parish a one percent sales and use tax. The proceeds of the tax are dedicated to supplement salaries of teachers and/or the expenditures of operating the schools, including salaries of other personnel. On May 2, 2009, the voters of Vermilion Parish authorized the levy of a one-half percent sales and use tax dedicated to the salaries and benefits of school employees. The collection of the tax began July 1, 2009.

Effective March 1, 1992, the School Board was appointed the central sales tax collecting agency for all taxing bodies within Vermilion Parish. The following is a summary of taxes that the School Board has the responsibility of collecting:

Taxing Bodies	Rate	Total Collections	Collection Cost	Interest and Other Adjustments	Net Distribution
Vermilion Parish Police Jury	1.50%	$ 14,139,988	$ (158,872)	$ 16,835	$ 13,997,951
Vermilion Parish Sheriff	0.75%	7,069,993	(79,426)	8,437	6,999,004
Town of Gueydan	1.00%	233,487	(1,199)	356	232,644
City of Kaplan	1.00%	800,087	(3,744)	1,542	797,885
City of Abbeville	1.25%	5,931,086	(38,521)	(6,571)	5,885,994
Town of Erath	1.00%	333,432	(1,696)	510	332,246
Town of Delcambre	1.00%	201,241	(1,069)	434	200,606
Village of Maurice	1.50%	1,165,619	(4,585)	2,890	1,163,924
Vermilion Parish Tourist Commission	5.00%	85,217	(314)	57	84,960
Vermilion Parish School Board	1.50%	14,139,949	347,457	155,179	14,642,585
Hospital Service District #1	1.00%	1,517,307	(14,663)	2,598	1,505,242
Abbeville Hospital District #2	0.50%	3,638,340	(43,368)	3,113	3,598,085
Totals		$ 49,255,746	$ -	$ 185,380	$ 49,441,126

(10) Retirement Plans

The Vermilion Parish School Board is a participating employer in several cost-sharing multiple-employer defined benefit plans. These plans are administered by three public employee retirement systems (PERS): the Teachers' Retirement System of Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Employees' Retirement System (LASERS). Each system is controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability, and death benefits to plan members and their beneficiaries.

Each of the Systems issue an annually publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by downloading the reports as follows:

Teachers' Retirement System of Louisiana (TRSL) – www.trsl.org
Louisiana School Employees' Retirement System (LSERS) – www.lsers.net
Louisiana State Employees' Retirement System (LASERS) – www.lasersonline.org
Louisiana Legislative Auditor – www.lla.la.gov

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 public employee retirement system and additions to/deductions from the systems' fiduciary net position have been determined on the same basis as they are reported by each system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A. Plan Descriptions

Teachers' Retirement System of Louisiana (TRSL) -

TRSL was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:700-999, as amended, for eligible teachers, employees, and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefits Provided: TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits.

Normal retirement: Regular Plan – Eligibility for retirement is determined by the date the member joined TRSL.

Members first eligible to join and hired on or after July 1, 2015

2.5% benefit factor	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

Members first eligible and hired between January 1, 2011 and June 30, 2015

2.5% benefit factor	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

Members joining the system between July 1, 1999 and December 21, 2010

2.5% benefit factor	At least age 60 with at least 5 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced), or Any age with at least 30 years of service credit

Members hired prior to July 1, 1999

2.0% benefit factor	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit
2.5% benefit factor	At least age 65 with at least 20 years of service credit, or At least age 55 with at least 25 years of service credit, or

	Any age with at least 30 years of service credit

Normal retirement: Plan A - closed to new entrants

3.0% benefit factor	At least age 60 with at least 5 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 30 years of service credit

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

Payment options: A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or a lump sum that can't exceed 36 months of the member's maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Option Program (DROP): In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60-day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three-year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

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

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

Survivor Benefits: A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) $600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) $300 (up to 2 eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving spouse without minor children of an active member with at least 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) $600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% benefit factor for all creditable service.

Permanent Benefit Increases/Cost-of-Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, TRSL allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

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

Louisiana School Employees' Retirement System (LSERS) –

The System was established and provided for by LA R.S. 11:1001 of the Louisiana Revised Statutes. Membership is mandatory for all persons employed by a Louisiana parish or city school board who work more than twenty hours per week or for part-time employees who have ten years of creditable service in the System as a school bus driver, school janitor, school custodian, school maintenance employee, school bus aide, monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

All temporary, seasonal and part-time employees as defined in Federal Regulations 26 CFR 31:3121(b)(7)-2 who have less than 10 years of creditable service are not eligible for membership in the System. Any employee whose employment falls below 4.1 hours per day or 20.1 hours per week and who is not vested will be eligible to receive a refund of their contributions.

Benefits Provided: Benefit provisions are authorized under Louisiana Revised Statues 11:1141 – 11:1153.

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

For members who joined the System prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of $2.00 per month for each year of service. For members who joined the System on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation.

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

Deferred Retirement Option Plan: Members of the System may elect to participate in the Deferred Retirement Option Plan (DROP) and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the System terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the System. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account.

The System maintains subaccounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements in a manner approved by the board.

The System also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Disability Benefits: A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits.

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

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

Louisiana State Employees' Retirement System (LASERS) –

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of LA R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Retirement benefits: The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The rank-and-file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of credible service or at age 60 upon completing five to ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirement, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

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

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

Disability Benefits: Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

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

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

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

B. Contributions

The employer contribution rate for TRSL and LASERS is established annually under LA R.S. 11:101 – 11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Contribution rate for LSERS is actuarially determined as required under Act 81 of 1988 but cannot be less than the rate required by the Constitution. Each plan pays a separate actuarially determined employer contribution rate.

The contribution rates in effect for the year for the School Board were as follows:

	Plan Status	Employee Contribution	Employer Contribution
TRSL Sub Plan:			
K-12 Regular Plan	Open	8.0%	25.80%
Higher Ed Regular Plan	Open	8.0%	25.00%
Plan A	Closed	8.0%	25.80%
Plan B	Open	8.0%	25.80%
ORP (employer UAL)	Closed	8.0%	21.80%
LSERS	Open	8.0%	28.70%
LASERS:			
Regular Employees			
Hired before 7/1/2006	Closed	7.5%	40.10%
Hired after 7/1/2006	Closed	8.0%	40.10%
Hired on or after 1/1/11	Closed	8.0%	40.10%
Hired on or after 7/1/15	Open	8.0%	40.10%
Optional Retirement Plan (ORP)			
Hired before 7/1/2006	Closed	7.5%	40.10%
Hired on or after 7/1/2006	Closed	8.0%	40.10%
Aggregate rate			40.60%

Contributions received by a pension plan form non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from the non-employer contributing entities. The School Board recognized revenue as a result of support received from non-employer contributing entities as follows:

Teachers' Retirement System of Louisiana (TRSL)	$ 398,174
Louisiana School Employees' Retirement System (LSERS)	-
Louisiana State Employees' Retirement System (LASERS)	-
	$ 398,174

C. 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 measurement date. The School Board uses this measurement to record its net pension liability and associated amounts in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at the measurement date for each plan, along with the change compared to prior year rates. 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 (Asset) at Measurement Date	Measurement Rate Current	Measurement Rate Previous	Increase (Decrease)
TRSL	$ 49,263,140	0.922740%	0.925350%	-0.002610%
LSERS	6,462,874	1.359698%	1.407487%	-0.047789%
LASERS	174,421	0.003170%	0.003180%	-0.000010%
Total	$ 55,900,435			

For the year the School Board recognized pension expense as follows:

Teachers' Retirement System of Louisiana (TRSL)	$ (1,062,459)
Louisiana School Employees' Retirement System (LSERS)	298,695
Louisiana State Employees' Retirement System (LASERS)	11,598
	$ (752,166)

The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Teachers' Retirement System of Louisiana (TRSL) -

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 251,608	$ 744,888
Changes of assumptions	4,795,394	-
Net difference between projected and actual earnings on pension plan investments	-	33,254,044
Change in proportion and differences between employer contributions and proportionate share of contributions	891,140	1,459,273
Employer contributions subsequent to the measurement date	12,515,235	-
Total	$ 18,453,377	$ 35,458,205

Louisiana School Employees' Retirement System (LSERS) –

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 139,792	$ 93,909
Changes of assumptions	212,952	-
Net difference between projected and actual earnings on pension plan investments	-	2,458,855
Change in proportion and differences between employer contributions and proportionate share of contributions	-	279,814
Employer contributions subsequent to the measurement date	1,347,424	-
Total	$ 1,700,168	$ 2,832,578

Louisiana State Employees' Retirement System (LASERS) –

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 172	$ -
Changes of assumptions	4,272	-
Net difference between projected and actual earnings on pension plan investments	-	40,676
Employer contributions subsequent to the measurement date	27,650	-
Total	$ 32,094	$ 40,676

The table below reports deferred outflows of resources related to pensions resulting from School Board's contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the subsequent period:

Teachers' Retirement System of Louisiana (TRSL)	$ 12,515,235
Louisiana School Employees' Retirement System (LSERS)	1,347,424
Louisiana State Employees' Retirement System (LASERS)	27,650
	$ 13,890,309

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 Ended June 30,	TRSL	LSERS	LASERS	Total
2023	$ (6,781,658)	$ (512,068)	$ (2,614)	$ (7,296,340)
2024	(5,834,155)	(402,369)	(6,268)	(6,242,792)
2025	(6,923,762)	(592,520)	(9,242)	(7,525,524)
2026	(9,980,488)	(972,877)	(18,108)	(10,971,473)
	$ (29,520,063)	$ (2,479,834)	$ (36,232)	$ (32,036,129)

D. Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

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

	TRSL	LSERS	LASERS
Valuation Date	June 30, 2021	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2021	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.40%, net of investment expenses	6.90% per annum, net of plan investment expense, including inflation	7.40% per annum, net of investment expenses
Projected Salary Increases	Varies from 3.1% - 4.6% depending upon duration of service	Salary increases were projected based on 2013-2017 experience study, 3.25%	Salary increases were projected based on 2014-2018 experience study, 2.6% - 13.8%
Expected Remaining Service Lives	5 years, closed period	3 years	2 years

Mortality Rates:

Teachers' Retirement System of Louisiana uses RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females for active members; RP-2014 White collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females for non-disabled retiree/inactive members; RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females for disability retiree. 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.

Louisiana School Employees' Retirement System uses RP-2014 Healthy Annuitant Tables; RP-2014 Sex Distinct Employee Tables; and RP-2014 Sex Distinct Disabled Tables.

Louisiana State Employees' Retirement System uses mortality rates based on the RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant projected on a fully generational basis by Mortality Improvement Scale MP-2018 for non-disabled members; mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

Termination and disability:

Teachers' Retirement System of Louisiana - Termination, disability, and retirement assumptions were projected based on a five-year (2012-2017) experience study of the System's members.

Louisiana State Employees' Retirement System - Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.

Cost of living adjustments:

Louisiana School Employees' Retirement System – 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.

Louisiana State Employees' Retirement System - The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

E. Real rates of return

The long-term expected rate of return on TRSL and LASERS 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. The long-term expected rate of return on LSERS 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). These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation are summarized in the following table:

Asset Class	Target Allocation TRSL	Target Allocation LSERS
Domestic equity	27.00%	
International equity	19.00%	
Equity		39.00%
Domestic fixed income	13.00%	
Fixed income		26.00%
International fixed income	5.50%	
Private equity	25.50%	
Alternatives		23.00%
Other	10.00%	12.00%
Totals	100.00%	100.00%

Asset Class	Long-term Expected Portfolio Real Rate of Return TRSL	LSERS	LASERS
Domestic equity	4.21%		4.09%
International equity	5.23%		5.12%
Equity		2.84%	
Domestic fixed income	0.44%		0.49%
Fixed income		0.76%	
International fixed income	0.56%		3.94%
Private equity	8.48%		
Alternatives		1.87%	6.93%
Other	4.27%	0.60%	-0.29%
Total fund		6.07%	5.81%
Inflation		2.10%	
Expected Arithmetic Nominal Return		8.17%	

Discount Rate: The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, each of the pension plans' 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 rates used for each respective plan is displayed in the Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to changes in the discount rate table.

Sensitivity 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:

	1% Decrease	Current Rate	1% Increase
TRSL			
Discount Rates	6.40%	7.40%	8.40%
Net Pension Liability (Asset)	$ 81,525,501	$ 49,263,140	$ 22,127,101
Change in rate from prior year		-0.05%	
LSERS			
Discount Rates	5.90%	6.90%	7.90%
Net Pension Liability (Asset)	$ 9,953,166	$ 6,462,874	$ 3,479,428
Change in rate from prior year		-0.10%	
LASERS			
Discount Rates	6.40%	7.40%	8.40%
Net Pension Liability (Asset)	$ 236,327	$ 174,421	$ 121,747
Change in rate from prior year		-0.15%	

(11) Self-insurance Group Health Insurance Program

On April 25, 2002, the School Board began a partially self-insured group health insurance program. A separate internal service fund was created to accumulate funds designated for the payment of health care claims, insurance and associated costs of school system employees, retirees and their covered dependents. The School Board has procured specific-loss insurance with a self-insured retention of $175,000 per individual and aggregate-loss insurance with an attachment point of approximately $21,930,641 based on projected enrollment of 1,565 subscribers.

The liability for unpaid claims of $823,332 as of June 30, 2022 was determined based on reports obtained from third party administrator regarding claims incurred prior to June 30, 2022 paid out during the subsequent period ending September 2022.

Changes in the claims liability amount for the group health insurance program are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year-End
2019 - 2020	$ 820,916	$ 13,839,589	$ 14,093,787	$ 566,718
2020 - 2021	$ 566,718	$ 15,616,306	$ 14,981,352	$ 1,201,672
2021 - 2022	$ 1,201,672	$ 16,583,938	$ 16,962,278	$ 823,332

(12) Commitments and Contingencies

A. Litigation

There are several lawsuits presently pending against the School Board. The School Board's management and legal counsel is of the opinion that any unfavorable outcome in these cases would not materially affect the financial statements.

B. Grant Audits

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

C. Intergovernmental Agreement

On January 19, 2000 the Vermilion Parish School Board negotiated an intergovernmental agreement with the Iberia Parish School Board to establish certain parameters for calculating annual payments that the School Board shall remit to the Iberia Parish School Board for Vermilion Parish resident students attending Iberia Parish Schools. This agreement is effective for a twenty-year period ending June 30, 2020, but is subject to renegotiation every five years. The agreement was extended for three years ending June 30, 2023.

(13) Interfund Transactions

A. Due from other funds and due to other funds balances, by fund, at June 30, 2022 are as follows:

	Due from other funds	Due to other funds
Major fund:		
General Fund	$ 4,327,196	$ -
ESSER Funds	-	1,892,659
Total major funds	4,327,196	1,892,659
Nonmajor funds	-	2,434,537
Total	$ 4,327,196	$ 4,327,196

The amounts due to the General Fund from various other funds are for reimbursements owed for expenditures paid for those funds.

B. Transfers consisted of the following at June 30, 2022:

	Transfers In	Transfers Out
Major funds:		
General Fund	$ 13,428,964	$ 572,827
ESSER Funds	-	1,535,923
Dr. Daniel Dartez Educational Trust	-	375,612
Total major funds	13,428,964	2,484,362
Nonmajor funds	1,334,334	12,278,936
Total	$ 14,763,298	$ 14,763,298

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

(14) Postemployment Benefits Other Than Pensions (OPEB)

Plan Description: The Vermilion Parish School Board administers a partially self-insured group health insurance program. The program provides for the payment of health care claims, insurance and associated costs of the school system employees, retirees and their covered dependents.

Vermilion Parish School Board covers up to a $15,000 of basic life insurance. Premiums are assessed on amounts in excess of $15,000 and all supplemental life insurance. No trend is assumed for life insurance coverage or contributions.

Postemployment Benefit Plan Eligibility Requirements: An employee is eligible to elect medical coverage upon retiring or disability. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 5 years of service; or early retirement with 20 years of service at any age. Coverage is also provided to spouses of retirees who are currently receiving benefits. If the retiree pre-deceases the spouse, coverage for the surviving spouse continues.

Monthly retiree contributions: Below are the total monthly retiree premiums as determined by Vermilion Parish School Board.

2022	Retiree only	Retiree + Spouse
Pre-65	$ 245.00	$ 516.00
Post-65	$ 149.00	$ 394.00

For participants hired or re-hired on or after May 1, 2005, the following schedule applies to the Board subsidy based upon a participant's service at retirement: less than 10 years of participation with 25% of board subsidy paid by retirees; 10-14.99 years of participation with 50% of board subsidy paid by retirees; 15-19.99 years of participation with 75% of board subsidy paid by retirees; or 20 plus years of participation with 100% of board subsidy paid by retirees.

Additionally, employees hired after May 1, 2005 who were previously employed by another Louisiana public school system(s), and are able to provide proof of health insurance coverage of at least ten years with said employer(s) and are then members of Vermilion Parish School System's group health insurance plan for five or more years, will be given credit for the years in the previous school system's health insurance plan, in addition to the years in Vermilion Parish School System's health insurance plan, when calculating participating years for retiree vesting purposes. Any new hired employee wishing to take advantage of the provisions of this paragraph will assume the responsibility of furnishing documented verification of coverage from another public-school district within ninety days of the date of hire.

Employees covered by benefit terms: At June 30, 2022, the following employees were covered by the benefit terms: 769 active participants, 702 retirees and surviving spouses, and 243 terminated vested.

The School Board's total OPEB liability of $127,485,445 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2022, calculated based on the following discount rate and actuarial assumptions.

The employer does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis and there is not a trust for accumulating plan assets. The following actuarial methods and assumptions were used in the July 1, 2022 accounting valuation.

Valuation Timing	Actuarial valuations are performed biennially as of July 1 for accounting purposes only. The most recent valuation was performed as of July 1, 2022.
Measurement date	June 30, 2022

Actuarial cost method	Entry Age Normal
Inflation	2.40%
Salary increases	3.00%
Discount Rate	3.54% (based on the Bond Buyer's General Obligation 20-Bond Municipal index)
Health Care Cost Trend Rates	
Pre-65	6.2% for 2022, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond
Post-65	5.7% for 2022, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond

Mortality Rates:

Pre-retirement – PUB-2010 General Employees Amount-Weighted Table with Mortality Improvement Scale MP-2021 on a generational basis with healthy annuitant rates after benefit commencement.

Post-retirement – PUB-2010 General Retirees Amount-Weighted Table with Mortality Improvement Scale MP-2021 on a generational basis.

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

Survivor – PUB-2010 Contingent Survivors Amount-Weighted Table with Mortality Improvement Scale MP-2021 on a generational basis.

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

Actuarial Cost Method: The actuarial cost method determines, in a systematic way, the incidence of plan sponsor contributions required to provide plan benefits. It also determines how actuarial gains and losses are recognized in OPEB costs. These gains and losses result from the difference between the actual experience under the plan and what was anticipated by the actuarial assumptions.

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

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

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

It should be noted that the accrued liability as of any date is not the actuarially computed present value of accrued or accumulated plan benefits as of that date. The accrued liability is the portion of the ultimate cost assigned to prior years by the cost method being used.

Changes in actuarial methods since prior valuation: The actuarial cost method has not changed since the prior year valuation.

In addition to the actuarial method used, actuarial cost estimates depend to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates.

The following presents changes in the total OPEB liability:

Balance as of June 30, 2021	$ 169,790,868
Changes for the year:	
Service cost	5,478,493
Interest on total OPEB liability	3,748,802
Effect of economic/demographic gains or losses	2,187,304
Effect of assumptions, changes, or inputs	(50,274,209)
Benefit payments	(3,445,813)
Balance as of June 30, 2022	$ 127,485,445

There have been no significant changes between the valuation date and the fiscal year end.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the Vermilion Parish School Board, calculated using the discount rate of 3.54%, an increase of 1.38% from the prior year, 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 or 1 percentage point higher than the current rate.

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Total OPEB liability	$ 147,937,066	$ 127,485,445	$ 111,207,310

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the Vermilion Parish School Board, calculated using the current healthcare cost trend rates as well as what the School Board's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 111,111,416	$ 127,485,445	$ 148,226,548

The School Board recognized OPEB expense of ($1,532,626). The School Board reported deferred inflows and outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 3,611,971	$ -
Changes of assumptions	1,110,132	43,249,290
Total	$ 4,722,103	$ 43,249,290

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

Year Ended June 30,	
2023	$ (12,219,753)
2024	(11,871,883)
2025	(11,289,682)
2026	(3,145,869)
	$ (38,527,187)

(15) Risk Management

Commercial Insurance Coverage

The School Board purchases commercial insurance for property coverage, general liability, fleet liability, errors and omissions and flood. The deductibles per occurrence for these coverages are $100,000, $25,000, $25,000 and $25,000, respectively. For the fiscal year ending June 30, 2022, the deductible for property coverage for named storms is 2% of total insured value per building subject to a minimum of $250,000 per occurrence. There has been no significant reduction in coverage from the prior year. The School Board has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

(16) Excess Oil and Gas Revenue Policy

The School Board has adopted a policy on excess oil and gas royalty revenues whereby mineral revenues over $6,250,000 will be reserved in the following manner:

A. 50% of the amount over $6,250,000 is to be placed in the Vermilion Parish Education Public Trust.

B. 50% of the amount over $6,250,000 is to be used for employee salary supplements.

For the year ended June 30, 2022 oil and gas royalty revenues did not exceed the $6,250,000 threshold; therefore, a transfer was not made to the trust and for employee salary supplements.

(17) Non-expendable Trust Fund

On June 11, 1996, pursuant to Louisiana Revised Statute (LSA-RS) 17:81(m), the School Board established the Vermilion Parish Education Trust (a non-expendable trust fund). Trust principal is derived from excess revenues and may not be used for expenditures. Income from the investment of fund principal is restricted to meeting the capital outlay needs of the school system.

The trust is administered by a board of trustees which consists of individuals who occupy the following positions:

A. Vermilion Parish School Board President
B. Vermilion Parish School Board Vice-President
C. Vermilion Parish School System Superintendent
D. Vermilion Parish School System Chief Financial Officer
E. Vermilion Association of Educators President
F. Vermilion Parish School Board legal advisor

The trustees of the Daniel R. Dartez Educational Trust believe that the following asset mixes will produce a pattern of returns over time that will conform to the desired return requirements, risk tolerance and liquidity:

Asset Class	Minimum	Target	Maximum
Intermediate Fixed Income	60%	75%	85%
Equities	15%	25%	35%

Cash equivalents may be held in lieu of equities or intermediate fixed income at the discretion of the investment advisor.

(18) Economic Dependency

The Minimum Foundation funding provided by the state to all public school systems is primarily based on October 1 student count. The state provided approximately 44% of the School Board's revenue through this program during the year.

(19) On-Behalf Payments

The accompanying financial statements include on-behalf payments made by the Vermilion Parish Tax Collector in the amount of $416,777 to the Teacher's Retirement System of Louisiana for employee retirement benefits, as required by GASB Statement No. 24 *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*. The amount of $416,777 is recorded in the accounting system of the Vermilion Parish School Board.

REQUIRED
SUPPLEMENTARY INFORMATION

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VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2022

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
Revenues				
Local sources:				
Ad valorem taxes	$ 1,835,000	$ 1,840,000	$ 1,833,487	$ (6,513)
Sales taxes	8,600,000	9,350,000	9,426,609	76,609
Other	1,830,000	2,070,000	3,038,566	968,566
Total local sources	12,265,000	13,260,000	14,298,662	1,038,662
State sources	60,348,811	58,823,225	59,376,154	552,929
Total revenues	72,613,811	72,083,225	73,674,816	1,591,591
Expenditures				
Current:				
Instruction -				
Regular programs	36,603,022	36,223,756	35,456,711	767,045
Special education programs	9,102,000	9,257,000	8,945,957	311,043
Vocational education programs	2,405,800	2,428,500	2,310,146	118,354
Other instructional programs	1,827,000	1,996,500	1,892,464	104,036
Special programs	650,500	635,500	643,476	(7,976)
Support services -				
Pupil support services	4,910,050	4,935,050	4,859,129	75,921
Instructional staff support services	3,710,775	3,587,775	3,420,536	167,239
General administration	2,409,000	2,445,239	2,374,305	70,934
School administration	5,366,500	5,535,500	5,532,473	3,027
Business services	937,600	930,100	888,841	41,259
Operation and maintenance of plant services	9,387,600	10,703,100	10,339,821	363,279
Student transportation services	4,836,500	5,082,300	5,004,600	77,700
Central services	948,800	887,300	903,350	(16,050)
Non-instructional services -				
Community service programs	82,000	82,000	79,993	2,007
Facilities acquisition and construction	2,406,000	766,000	799,010	(33,010)
Total expenditures	85,583,147	85,495,620	83,450,812	2,044,808
Deficiency of revenues over expenditures	(12,969,336)	(13,412,395)	(9,775,996)	3,636,399
Other financing sources (uses)				
Proceeds from sale of capital assets	4,000	20,000	22,518	2,518
Transfers in	13,610,901	13,338,009	13,428,964	90,955
Transfers out	(609,462)	(598,923)	(572,827)	26,096
Total other financing sources (uses)	13,005,439	12,759,086	12,878,655	119,569
Net change in fund balance	36,103	(653,309)	3,102,659	3,755,968
Fund balances, beginning	16,523,500	16,523,500	16,523,500	-
Fund balances, ending	$ 16,559,603	$ 15,870,191	$ 19,626,159	$ 3,755,968

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Elementary and Secondary School Emergency Relief Funds (ESSER)
Budgetary Comparison Schedule
Year Ended June 30, 2022

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
Revenues				
Federal sources	$ 7,594,291	$ 11,078,348	$ 11,093,005	$ 14,657
Expenditures				
Current:				
Instruction -				
Regular programs	-	-	419,169	(419,169)
Special education programs	-	-	51,913	(51,913)
Other instructional programs	-	-	1,065,476	(1,065,476)
Special programs	5,979,307	9,542,425	7,115,663	2,426,762
Support services -				
Pupil support services	-	-	356,324	(356,324)
Instructional staff support services	-	-	345,181	(345,181)
School administration	-	-	6,921	(6,921)
Operation and maintenance of plant services	-	-	59,420	(59,420)
Central Services	-	-	19,787	(19,787)
Facilities acquisition and construction	-	-	117,228	(117,228)
Total expenditures	5,979,307	9,542,425	9,557,082	(14,657)
Deficiency of revenues over expenditures	1,614,984	1,535,923	1,535,923	-
Other financing sources (uses):				
Transfers out	(1,614,984)	(1,535,923)	(1,535,923)	-
Net change in fund balance	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	$ -	$ -	$ -	$ -

Notes to Budgetary Comparison Schedule

(1) Budget Practices

The proposed budget for 2022 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. In accordance with R.S.17:88(A), parish school boards must adopt the budget no later than September fifteenth of each year. The budget, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds, was published in the official journal ten days prior to the public hearing.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

The level of control over the budget is exercised at the function or program level for the General and Special Revenue. The Superintendent and/or assistant superintendents are authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017
Total OPEB Liability*						
Service cost	$ 5,478,493	$ 4,605,466	$ 3,757,879	$ 4,512,802	$ 5,414,625	$ 2,505,723
Interest on total OPEB liability	3,748,802	3,733,028	5,930,125	5,928,501	4,139,527	4,133,251
Effect of economic/demographic gains or (losses)	2,187,304	-	6,775,013	-	14,475,189	8,002,694
Effect of assumptions, changes, or inputs	(50,274,209)	(1,142,919)	(14,429,521)	9,991,185	(11,327,864)	23,735,647
Benefit payments	(3,445,813)	(3,410,463)	(3,374,975)	(3,494,256)	(4,219,147)	(4,813,427)
Net change in total OPEB liability	(42,305,423)	3,785,112	(1,341,479)	16,938,232	8,482,330	33,563,888
Total OPEB liability, beginning	169,790,868	166,005,756	167,347,235	150,409,003	141,926,673	108,362,785
Total OPEB liability, ending *	$ 127,485,445	$ 169,790,868	$ 166,005,756	$ 167,347,235	$ 150,409,003	$ 141,926,673
Covered payroll	$ 51,862,446	$ 53,836,857	$ 51,174,088	$ 50,603,474	$ 53,723,470	$ 52,944,472
Total OPEB liability as a % of covered payroll	245.81%	315.38%	324.39%	330.70%	279.97%	268.07%

* Equal to net OPEB liability

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability
Teachers' Retirement System of Louisiana
For the Year Ended June 30, 2022

* Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.04730%	$107,048,569	$45,851,508	233.5%	63.70%
2016	1.02119%	$109,801,073	$45,770,167	239.9%	62.50%
2017	0.98536%	$115,651,221	$45,812,785	252.4%	59.90%
2018	0.97360%	$ 99,812,481	$44,398,495	224.8%	65.60%
2019	0.93179%	$ 91,576,802	$44,714,948	204.8%	68.20%
2020	0.93042%	$ 92,340,431	$44,575,580	207.2%	68.60%
2021	0.92535%	$102,932,069	$45,186,053	227.8%	65.60%
2022	0.92274%	$ 49,263,140	$45,904,885	107.3%	83.90%

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

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Employer Contributions
Teachers' Retirement System of Louisiana
For the Year Ended June 30, 2022

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2015	$12,208,904	$ 12,208,904	$ -	$45,770,167	26.7%
2016	$12,047,589	$ 12,047,589	$ -	$45,812,785	26.3%
2017	$11,310,713	$ 11,310,713	$ -	$44,398,495	25.5%
2018	$11,896,064	$ 11,896,064	$ -	$44,714,948	26.6%
2019	$11,899,625	$ 11,899,625	$ -	$44,575,580	26.7%
2020	$11,746,834	$ 11,746,834	$ -	$45,186,053	26.0%
2021	$11,529,190	$ 11,529,190	$ -	$45,904,885	25.1%
2022	$12,515,235	$ 12,515,235	$ -	$49,626,471	25.2%

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability
School Employees' Retirement System of Louisiana
For the Year Ended June 30, 2022

* Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.48580%	$ 8,612,797	$ 4,160,675	207.0%	76.18%
2016	1.50196%	$ 9,524,353	$ 4,132,523	230.5%	74.49%
2017	1.42043%	$ 10,714,997	$ 4,035,465	265.5%	70.09%
2018	1.39708%	$ 8,940,292	$ 3,999,683	223.5%	75.03%
2019	1.40141%	$ 9,363,330	$ 4,044,936	231.5%	74.44%
2020	1.43346%	$ 10,035,126	$ 4,166,859	240.8%	73.49%
2021	1.40749%	$ 11,308,551	$ 4,221,263	267.9%	69.67%
2022	1.35970%	$ 6,462,874	$ 4,180,790	154.6%	82.51%

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

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Employer Contributions
School Employees' Retirement System of Louisiana
For the Year Ended June 30, 2022

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2015	$ 1,364,981	$ 1,364,981	$ -	$ 4,132,523	33.0%
2016	$ 1,219,398	$ 1,219,398	$ -	$ 4,035,465	30.2%
2017	$ 1,094,450	$ 1,094,450	$ -	$ 3,999,683	27.4%
2018	$ 1,117,068	$ 1,117,068	$ -	$ 4,044,936	27.6%
2019	$ 1,168,194	$ 1,168,194	$ -	$ 4,166,859	28.0%
2020	$ 1,236,832	$ 1,236,832	$ -	$ 4,221,263	29.3%
2021	$ 1,200,837	$ 1,200,837	$ -	$ 4,180,790	28.7%
2022	$ 1,347,424	$ 1,347,424	$ -	$ 4,691,738	28.7%

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability
Louisiana State Employees' Retirement System
For the Year Ended June 30, 2022

* Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.00238%	$ 148,631	$ 36,653	405.5%	65.00%
2016	0.00607%	$ 413,056	$ 90,470	456.6%	62.70%
2017	0.00589%	$ 462,123	$ 119,294	387.4%	57.70%
2018	0.00583%	$ 410,434	$ 94,726	433.3%	62.50%
2019	0.00565%	$ 385,530	$ 107,048	360.1%	64.30%
2020	0.00328%	$ 237,561	$ 97,690	243.2%	62.90%
2021	0.00318%	$ 262,594	$ 74,333	353.3%	58.00%
2022	0.00317%	$ 174,421	$ 67,289	259.2%	72.80%

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

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Employer Contributions
Louisiana State Employees' Retirement System
For the Year Ended June 30, 2022

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2015	$ 39,568	$ 39,568	$ -	$ 105,797	37.4%
2016	$ 40,683	$ 40,683	$ -	$ 109,363	37.2%
2017	$ 34,844	$ 34,844	$ -	$ 94,726	36.8%
2018	$ 38,426	$ 38,426	$ -	$ 107,048	35.9%
2019	$ 37,025	$ 37,025	$ -	$ 97,690	37.9%
2020	$ 30,253	$ 30,253	$ -	$ 74,333	40.7%
2021	$ 26,983	$ 26,983	$ -	$ 67,289	40.1%
2022	$ 27,650	$ 27,650	$ -	$ 69,999	39.5%

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Notes to Retirement System and OPEB Schedules

(1) Retirement Systems

A. Teachers' Retirement System of Louisiana

Changes of benefit terms –

There were no changes of benefit terms.

Changes of Assumptions –

* Year ended June 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase Lower Range	Projected Salary Increase Upper Range
2015	7.75%	7.75%	2.50%	5	3.50%	10.00%
2016	7.75%	7.75%	2.50%	5	3.50%	10.00%
2017	7.75%	7.75%	2.50%	5	3.50%	10.00%
2018	7.70%	7.70%	2.50%	5	3.50%	10.00%
2019	7.65%	7.65%	2.50%	5	3.30%	4.80%
2020	7.55%	7.55%	2.50%	5	3.30%	4.80%
2021	7.45%	7.45%	2.30%	5	3.10%	4.60%
2022	7.40%	7.40%	2.30%	5	3.10%	4.60%

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

B. Louisiana School Employees' Retirement System

Changes of benefit terms –

There were no changes of benefit terms.

Changes of Assumptions –

* Year ended June 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase Lower Range	Projected Salary Increase Upper Range
2015	7.2500%	7.2500%	2.750%	3	2.750%	2.750%
2016	7.0000%	7.0000%	2.750%	3	3.200%	5.500%
2017	7.1250%	7.1250%	2.625%	3	3.075%	5.375%
2018	7.1250%	7.1250%	2.625%	3	3.075%	5.375%
2019	7.0625%	7.0625%	2.500%	3	3.250%	3.250%
2020	7.0000%	7.0000%	2.500%	3	3.250%	3.250%
2021	7.0000%	7.0000%	2.500%	3	3.250%	3.250%
2022	6.9000%	6.9000%	2.500%	3	3.250%	3.250%

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

C. Louisiana State Employees' Retirement System

Changes of benefit terms –

There were no changes of benefit terms.

Changes of Assumptions –

* Year ended June 30,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase Lower Range	Projected Salary Increase Upper Range
2015	7.75%	7.75%	3.00%	3	3.00%	14.50%
2016	7.75%	7.75%	3.00%	3	3.00%	14.50%
2017	7.75%	7.75%	3.00%	3	3.00%	14.50%
2018	7.70%	7.70%	2.75%	3	2.80%	14.30%
2019	7.65%	7.65%	2.75%	3	2.80%	14.30%
2020	7.60%	7.60%	2.50%	2	2.80%	14.00%
2021	7.55%	7.55%	2.30%	2	2.60%	13.80%
2022	7.40%	7.40%	2.30%	2	2.60%	13.80%

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

(2) OPEB

Benefit changes –

There were no changes of benefit terms.

Change of assumptions –

Year ended June 30,	Valuation Date July 1,	Discount Rate	Inflation Rate	Health Care Cost Trend Rates - Pre-65 Lower Range	Health Care Cost Trend Rates - Pre-65 Upper Range	Health Care Cost Trend Rates - Post-65 Lower Range	Health Care Cost Trend Rates - Post-65 Upper Range
2018	2017	3.80%	2.30%	4.00%	5.20%	4.10%	6.50%
2019	2017	3.50%	2.30%	4.00%	5.20%	4.10%	5.90%
2020	2019	2.21%	2.30%	3.70%	6.60%	3.70%	5.40%
2021	2019	2.16%	2.30%	3.70%	6.60%	3.70%	5.40%
2022	2022	3.54%	2.40%	3.70%	6.20%	3.70%	5.70%

SUPPLEMENTARY INFORMATION

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2022

	Special Revenue	Debt Service	Total
ASSETS			
Cash and interest-bearing deposits	$ 10,450,503	$ 82,969	$ 10,533,472
Receivables	5,005,121	-	5,005,121
Inventory	357,442	-	357,442
Total assets	$ 15,813,066	$ 82,969	$ 15,896,035
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 458,140	$ -	$ 458,140
Accrued salaries and related benefits	1,413,413	-	1,413,413
Retainage payable	155,315	-	155,315
Due to other funds	2,434,537	-	2,434,537
Total liabilities	4,461,405	-	4,461,405
Fund balances:			
Nonspendable	357,442	-	357,442
Restricted	10,994,219	82,969	11,077,188
Total fund balances	11,351,661	82,969	11,434,630
Total liabilities and fund balances	$ 15,813,066	$ 82,969	$ 15,896,035

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2022

	Special Revenue	Debt Service	Total
Revenues			
Local sources -			
Ad valorem taxes	$ 11,025,620	$ -	$ 11,025,620
Sales tax	4,713,341	-	4,713,341
Investment earnings	84,535	355	84,890
Food services	32,606	-	32,606
Other	5,378,227	-	5,378,227
State sources	1,731,519	-	1,731,519
Federal sources	17,823,207	-	17,823,207
Other commodities	435,478	-	435,478
Total revenues	41,224,533	355	41,224,888
Expenditures			
Current:			
Instruction -			
Regular programs	1,843,220	-	1,843,220
Special education programs	1,205,593	-	1,205,593
Vocational education programs	135,485	-	135,485
Other instructional programs	3,827,519	-	3,827,519
Special programs	4,733,534	-	4,733,534
Support services -			
Pupil support services	1,098,434	-	1,098,434
Instructional staff support services	1,414,082	-	1,414,082
General administration	503,939	-	503,939
School administration	192,630	-	192,630
Business services	14,237	-	14,237
Operation and maintenance of plant services	154,258	-	154,258
Student transportation services	742,237	-	742,237
Central services	161,535	-	161,535
Non-instructional services -			
Food service operations	9,589,325	-	9,589,325
Facilities acquisition and construction	3,430,763	-	3,430,763
Debt service:			
Principal retirement	-	376,000	376,000
Interest and fiscal charges	-	312,205	312,205
Legal and technical fees	-	2,400	2,400
Total expenditures	29,046,791	690,605	29,737,396
Excess (deficiency) of revenues over expenditures	12,177,742	(690,250)	11,487,492
Other financing sources (uses)			
Transfers in	684,819	649,515	1,334,334
Transfers out	(12,278,936)	-	(12,278,936)
Total other financing sources (uses)	(11,594,117)	649,515	(10,944,602)
Net change in fund balances	583,625	(40,735)	542,890
Fund balances, beginning	10,768,036	123,704	10,891,740
Fund balances, ending	$ 11,351,661	$ 82,969	$ 11,434,630

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NONMAJOR SPECIAL REVENUE FUNDS

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

1998 Ad valorem Tax Fund

In January, 1998 Vermilion Parish voters approved a 25.00 mills ad valorem tax dedicated solely for the purpose of increasing the salaries and benefits of school employees to a level comparable with surrounding parishes.

1996 Ad valorem Tax Fund

In April, 1996 Vermilion Parish voters approved a rededication of a 10.00 mills ad valorem tax. The proposition provided that 3.00 mills be used for acquiring and maintaining equipment and supplies for educational and instructional services including library books and textbooks, 5.00 mills for maintaining and improving public school buildings including roof replacement, and heating and air conditioning systems, and 2.00 mills for acquiring and maintaining school buses.

No Child Left Behind (NCLB):

Title I

Title I of the NCLB is a program for economically and educationally deprived school children that is federally financed, state administered, and locally operated by the School Board. Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

Title II

Title II of the NCLB is a program by which the federal government provides funds to the School Board for projects that are designed to improve the skills of teachers in the areas of mathematics, science, computer learning, and to increase the accessibility of such instructions to all students.

Title III

Title III of the NCLB is a program to help ensure that children who are limited English proficient, including immigrant children and youth, attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging State academic content and student academic achievement standards as all children are expected to meet.

Title IV

Title IV of NCLB is a program by which the federal government provides funds to the School Board for the Drug Free Schools program.

Education Excellence Fund

The Education Excellence Fund accounts for restricted revenues derived from the state's tobacco settlement. Expenditures from this fund are restricted to instructional enhancements for pre-kindergarten to twelfth grade students.

Individuals With Disabilities Education Act Fund

The IDEA Fund is a federally financed program of free education in the least restricted environment to children with exceptionalities.

(continued)

NONMAJOR SPECIAL REVENUE FUNDS (continued)

Preschool Flow-Through Fund

Preschool Flow-Through Fund is a program by which the federal government provides funds to the Vermilion School Board for providing a free appropriate public education to preschool-age handicapped children.

School Lunch/Breakfast Fund

The School Lunch/Breakfast Fund is a program that provides nourishing morning and noon meals for students in all grades. This fund is supplemented by both federal and state funds that are based on reimbursement and participation.

Truancy Assessment and Service Centers (TASC) Fund

The TASC Fund accounts for programs to provide for early identification and assessment of truants and the delivery of coordinated interventions to prevent unauthorized school absences.

Preschool LA-4 Fund

The Preschool LA-4 Fund accounts for the Early Childhood Development program for four year old children considered to be at risk of achieving academic success.

2009 Sales Tax Fund

In May, 2009 Vermilion Parish voters approved a 1/2 cent sales tax dedicated solely for the purpose of increasing the salaries and benefits of school employees to a level comparable with surrounding parishes.

School Wide Positive Behavior Fund

The School Wide Positive Behavior Fund is a program that aims to provide positive behavior support in the form of training and professional development to teachers and administrators in the district. This program is financed pursuant to a subcontract between the Vermilion Parish School Board and Louisiana State University which is the primary grantee.

Child Care and Development (CCDF) Fund

The CCDF Fund accounts for a federal program that unifies publicly-funded preschool, Head Start, and child care programs into a statewide network to prepare our youngest learners for Kindergarten.

Carl Perkins

The Carl Perkins Fund is a federal program that more fully develops the academic, vocational, and technical skills of secondary students who elect to enroll in career and technical educational programs.

School Activity Fund

The School Activity Fund accounts for the collection and disbursement of school level funds use in the classrooms, clubs, and other extracurricular activities.

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VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Special Revenue Funds

Combining Balance Sheet
June 30, 2022

	1998 Ad valorem Tax Fund	1996 Ad valorem Tax Fund	No Child Left Behind Title I Fund	No Child Left Behind Title II Fund
ASSETS				
Cash and interest bearing deposits	$ 118,623	$ 1,255,924	$ 7,113	$ -
Receivables	41,211	16,484	1,097,896	130,681
Inventories	-	-	-	-
Total assets	$ 159,834	$ 1,272,408	$ 1,105,009	$ 130,681
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 320,305	$ 5,122	$ 19,050
Accrued salaries and related benefits	-	5,147	408,661	41,129
Retainage payable	-	155,315	-	-
Due to other funds	-	-	691,226	70,502
Total liabilities	-	480,767	1,105,009	130,681
Fund balances:				
Nonspendable	-	-	-	-
Restricted	159,834	791,641	-	-
Total fund balances	159,834	791,641	-	-
Total liabilities and fund balances	$ 159,834	$ 1,272,408	$ 1,105,009	$ 130,681

No Child Left Behind Title III Fund	No Child Left Behind Title IV Fund	Education Excellence Fund	Individuals With Disabilities Education Act Fund	Pre-School Flow-Through Fund	School Lunch/ Breakfast Fund	TASC Fund	Preschool LA-4 Fund
$ 1,168	$ -	$ 26,663	$ -	$ 1,920	$ 5,269,558	$ -	$ 235,784
-	15,345	-	879,435	1,563	1,669,345	16,148	41,488
-	-	-	-	-	357,442	-	-
$ 1,168	$ 15,345	$ 26,663	$ 879,435	$ 3,483	$ 7,296,345	$ 16,148	$ 277,272
$ -	$ 301	$ -	$ 18,982	$ -	$ 17,081	$ -	$ -
1,168	164	26,663	218,389	3,483	414,186	1,012	277,272
-	-	-	-	-	-	-	-
-	14,880	-	642,064	-	-	13,778	-
1,168	15,345	26,663	879,435	3,483	431,267	14,790	277,272
-	-	-	-	-	357,442	-	-
-	-	-	-	-	6,507,636	1,358	-
-	-	-	-	-	6,865,078	1,358	-
$ 1,168	$ 15,345	$ 26,663	$ 879,435	$ 3,483	$ 7,296,345	$ 16,148	$ 277,272

(continued)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Special Revenue Funds

Combining Balance Sheet (continued)
June 30, 2022

	2009 Sales Tax Fund	School Wide Positive Behavior Fund	Child Care and Development Fund
ASSETS			
Cash and interest bearing deposits	$ 557,146	$ -	$ -
Receivables	-	29,224	1,026,242
Inventories	-	-	-
Total assets	$ 557,146	$ 29,224	$ 1,026,242
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ -	$ 3,000	$ 74,299
Accrued salaries and related benefits	-	1,266	11,707
Retainage payable	-	-	-
Due to other funds	-	24,958	940,236
Total liabilities	-	29,224	1,026,242
Fund balances:			
Nonspendable	-	-	-
Restricted	557,146	-	-
Total fund balances	557,146	-	-
Total liabilities and fund balances	$ 557,146	$ 29,224	$ 1,026,242

Carl Perkins Fund	School Activity Fund	Total
$ -	$ 2,976,604	$ 10,450,503
40,059	-	5,005,121
-	-	357,442
$ 40,059	$ 2,976,604	$ 15,813,066
$ -	$ -	$ 458,140
3,166	-	1,413,413
-	-	155,315
36,893	-	2,434,537
40,059	-	4,461,405
-	-	357,442
-	2,976,604	10,994,219
-	2,976,604	11,351,661
$ 40,059	$ 2,976,604	$ 15,813,066

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2022

			No Child Left Behind	
	1998 Ad valorem Tax Fund	1996 Ad valorem Tax Fund	Title I Fund	Title II Fund
Revenues				
Local Sources:				
Taxes:				
Ad valorem tax	$ 7,875,483	$ 3,150,137	$ -	$ -
Sales tax	-	-	-	-
Interest income	14,652	21,562	-	-
Food services	-	-	-	-
Other	-	-	-	-
State sources	-	-	-	-
Federal sources	-	-	2,638,522	333,594
Other commodities	-	-	-	-
Total revenues	7,890,135	3,171,699	2,638,522	333,594
Expenditures				
Current:				
Instruction -				
Regular programs	-	583,757	11,221	182,663
Special education programs	-	-	-	-
Vocational education programs	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	-	-	1,709,973	101
Pupil support services	-	-	328,359	-
Instructional staff support services	-	2,197	789,079	131,063
General administration	261,664	104,665	92,256	42,354
School administration	-	-	-	-
Business services	-	-	14,237	-
Operation and maintenance of plant services	-	140,737	-	-
Student transportation services	-	675,035	-	-
Central services	-	161,535	-	-
Non-instructional services -				
Food service operations	-	-	-	-
Facility acquisition and construction	-	3,430,763	-	-
Total expenditures	261,664	5,098,689	2,945,125	356,181
Excess (deficiency) of revenues over expenditures	7,628,471	(1,926,990)	(306,603)	(22,587)
Other financing sources (uses)				
Transfers in	-	6,878	249,732	22,587
Transfers out	(7,516,242)	-	(14,876)	-
Total other financing sources (uses)	(7,516,242)	6,878	234,856	22,587
Net change in fund balances	112,229	(1,920,112)	(71,747)	-
Fund balances, beginning	47,605	2,711,753	71,747	-
Fund balances, ending	$ 159,834	$ 791,641	$ -	$ -

No Child Left Behind							
Title III Fund	Title IV Fund	Education Excellence Fund	Individuals With Disabilities Education Act Fund	Pre-School Flow-Through Fund	School Lunch/ Breakfast Fund	TASC Fund	Preschool LA-4 Fund
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	37,895	-	-
-	-	-	-	-	32,606	-	-
-	-	-	-	-	64	-	-
-	-	165,181	-	-	173,251	64,592	1,328,495
25,126	145,768	-	2,062,462	79,775	10,745,559	-	726
-	-	-	-	-	435,478	-	-
25,126	145,768	165,181	2,062,462	79,775	11,424,853	64,592	1,329,221
-	-	94,878	-	-	-	-	-
-	-	-	1,205,593	-	-	-	-
-	-	-	-	-	-	-	-
-	8,477	-	-	-	-	-	-
25,126	110,615	74,862	3,293	-	-	-	1,328,885
-	18,038	-	627,893	59,877	-	64,267	-
-	8,638	-	230,634	20,673	-	-	54,197
-	-	-	3,000	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	7,545	-	-	-	5,976
-	-	-	67,202	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	9,589,325	-	-
-	-	-	-	-	-	-	-
25,126	145,768	169,740	2,145,160	80,550	9,589,325	64,267	1,389,058
-	-	(4,559)	(82,698)	(775)	1,835,528	325	(59,837)
-	-	4,559	119,130	775	219,231	-	59,837
-	-	-	(57,996)	-	-	-	-
-	-	4,559	61,134	775	219,231	-	59,837
-	-	-	(21,564)	-	2,054,759	325	-
-	-	-	21,564	-	4,810,319	1,033	-
$ -	$ -	$ -	$ -	$ -	$ 6,865,078	$ 1,358	$ -

(continued)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Year Ended June 30, 2022

	2009 Sales Tax Fund	School Wide Positive Behavior Fund	Child Care and Development Fund
Revenues			
Local Sources:			
Taxes:			
Ad valorem tax	$ -	$ -	$ -
Sales tax	4,713,341	-	-
Interest income	10,426	-	-
Food services	-	-	-
Other	-	-	-
State sources	-	-	-
Federal sources	-	29,225	1,622,861
Other commodities	-	-	-
Total revenues	4,723,767	29,225	1,622,861
Expenditures			
Current:			
Instruction -			
Regular programs	-	-	-
Special education programs	-	-	-
Vocational education programs	-	-	-
Other instructional programs	-	-	-
Special programs	-	2,359	1,478,320
Pupil support services	-	-	-
Instructional staff support services	-	26,866	146,631
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Operation and maintenance of plant services	-	-	-
Student transportation services	-	-	-
Central services	-	-	-
Non-instructional services -			
Food service operations	-	-	-
Facility acquisition and construction	-	-	-
Total expenditures	-	29,225	1,624,951
Excess (deficiency) of revenues over expenditures	4,723,767	-	(2,090)
Other financing sources (uses)			
Transfers in	-	-	2,090
Transfers out	(4,689,822)	-	-
Total other financing sources (uses)	(4,689,822)	-	2,090
Net change in fund balances	33,945	-	-
Fund balances, beginning	523,201	-	-
Fund balances, ending	$ 557,146	$ -	$ -

Carl Perkins Fund	School Activity Fund	Total
$ -	$ -	$ 11,025,620
-	-	4,713,341
-	-	84,535
-	-	32,606
-	5,378,163	5,378,227
-	-	1,731,519
139,589	-	17,823,207
-	-	435,478
139,589	5,378,163	41,224,533
-	970,701	1,843,220
-	-	1,205,593
135,485	-	135,485
-	3,819,042	3,827,519
-	-	4,733,534
-	-	1,098,434
4,104	-	1,414,082
-	-	503,939
-	192,630	192,630
-	-	14,237
-	-	154,258
-	-	742,237
-	-	161,535
-	-	9,589,325
-	-	3,430,763
139,589	4,982,373	29,046,791
-	395,790	12,177,742
-	-	684,819
-	-	(12,278,936)
-	-	(11,594,117)
-	395,790	583,625
-	2,580,814	10,768,036
$ -	$ 2,976,604	$ 11,351,661

NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of bonded debt principal, interest, and related costs.

Revenue Bonds, Series 2011

To accumulate monies for the payment of the Revenue Bonds, Series 2011 issued in the amount of $2,025,000. The bonds were issued for the purpose of refinancing the Certificates of Indebtedness, Series 2008 and constructing a new Middle School complex on the North Vermilion High School campus. The bonds are secured by and payable from a pledge and dedication of the excess of annual revenues.

Limited Tax Bonds, Series 2016

To accumulate monies for the payment of Limited Tax Bonds, Series 2016 issued in the amount of $840,000. The bonds were issued for the purpose of paying costs of acquiring and constructing improvements for Erath High School and Middle School and paying costs of issuance of the bonds. The bonds shall be secured by and payable from a pledge and dedication of the property tax revenues.

Limited Tax Bonds, Series 2018

To accumulate monies for the payment of Limited Tax Bonds, Series 2018 issued in the amount of $950,000. The bonds were issued for the purpose of paying costs of constructing improvements at Dozier Elementary School and paying costs of issuance of the bonds. The bonds shall be secured by and payable from a pledge and dedication of the property tax revenues.

Revenue Bonds, Series 2021

To accumulate monies for the payment of Revenue Bonds, Series 2021 issued in the amount of $20,000,000. The bonds were issued for the purpose of paying costs of constructing improvements at across the District due to hurricanes and paying costs of issuance of the bonds. The bonds shall be secured by and payable from a pledge and dedication of the insurnace proceeds and grant/reimbursements process through U.S. Federal Emergency Management Agency (FEMA).

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Debt Service Fund

Balance Sheet
June 30, 2022

ASSETS	
Cash and interest-bearing deposits	$ 82,969
LIABILITIES AND FUND BALANCE	
Liabilities	$ -
Fund balance:	
Restricted	82,969
Total liabilities and fund balance	$ 82,969

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana
Nonmajor Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2022

Revenues	
Local Sources:	
Interest income	$ 355
Expenditures	
Debt service:	
Principal retirement	376,000
Interest and fiscal charges	312,205
Legal and technical fees	2,400
Total expenditures	690,605
Deficiency of revenues over expenditures	(690,250)
Other financing sources:	
Transfers in	649,515
Net change in fund balance	(40,735)
Fund balance, beginning	123,704
Fund balance, ending	$ 82,969

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

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

Agency Head Name: Thomas J. Byler, Superintendent

Purpose	
Salary	$ 143,711
Benefits - insurance	8,772
Benefits - retirement	11,497
Benefits - Medicare	1,957
Conference travel	6,420
Total	$ 172,357

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Compensation
Board Members
For the Year Ended June 30, 2022

David Dupuis	$ 9,600
Christopher Gautreaux	3,200
Laura LeBeouf	9,600
Dale Stelly	10,800
Charlotte Detraz	9,600
Kibbie Pillette	9,600
Jason Roy	9,600
Kevin Meyers	2,400
Angela Bradlet	3,200
Chris Hebert	4,800
Kristy Hebert	4,000
Total	$ 76,400

INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS

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KOLDER, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
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C. Burton Kolder, CPA*
Of Counsel

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* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

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

Mr. Thomas Byler, Superintendent,
and Members of the Vermilion Parish School Board
Abbeville, 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 the Vermilion Parish School Board (the School Board), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 21, 2022.

Report on Internal Control Over Financial Reporting

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 21, 2022

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Brad E. Kolder, CPA, JD*
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WWW.KCSRCPAS.COM

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

Mr. Thomas Byler, Superintendent
and Members of the Vermilion Parish School Board
Abbeville, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Vermilion Parish School Board's (the School Board) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2022. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 21, 2022

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Expenditures
United States Department of Agriculture			
Passed through Louisiana Department of Agriculture and Forestry :			
Food Distribution Program (noncash)	N/A	10.555	$ 435,478
Passed through Louisiana Department of Education			
National School Lunch Program	N/A	10.555	7,249,817
National School Lunch Program	N/A	10.555	208,762
Total Assistance Listing No. 10.555			7,894,057
Summer Food Service Program for Children	N/A	10.559	408,382
Total for Child Nutrition Cluster			8,302,439
Child and Adult Care Food Program	N/A	10.558	2,872,786
Pandemic EBT Administrative Costs	N/A	10.649	5,814
Total United States Department of Agriculture			11,181,039
United States Department of Education			
Passed through State Department of Education:			
Title I Grant to Local Education Agencies	28-22-T1-57	84.010	2,467,278
Title I Grant to Local Education Agencies	28-22-DSS-57	84.010	55,170
Title I Grant to Local Education Agencies	28-21-RD19-57	84.010	58,963
Total Assistance Listing No. 84.010			2,581,411
Migrant Education - State Grant Program	28-22-M1-57	84.011	12,828
Career and Technical Education - Basic Grants to States (Carl Perkins)	28-22-02-57	84.048	139,589
Special Education - Grants to States (IDEA, Part B)	28-22-B1-57	84.027	1,994,225
Special Education - Grants to States (IDEA, 611 ARP)	28-22-IA11-57	84.027	26,899
Special Education - Grants to States (IDEA, 611 Redesign)	28-21-I1SA-57	84.027	2,470
Special Education - Grants to States, High Cost Services	28-22-RK-57	84.027	35,783
Total Assistance Listing No. 84.027			2,059,377
Special Education - Preschool Grants (IDEA Preschool)	28-22-P1-57	84.173	79,777
Special Education - Preschool Grants (IDEA Set aside)	28-21I9SA-57	84.173	3,085
Total Assistance Listing No. 84.173			82,862
Total for Special Education Cluster			2,142,239
Special Education - State Personnel Development: State Wide Positive Behavioral Support Project (SWPBSP)	H027A190033	84.323	29,224
English Language Acquisition Grants - Title III	28-22-60-57	84.365A	25,126

(continued)

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Expenditures
Improving Teacher Quality State Grants - Title II	28-22-50-57	84.367	333,594
Comprehensive Literacy Development	28-20-CCU6-57	84.371	14,985
Comprehensive Literacy Development	28-20-CCUB-57	84.371	161,362
Total Assistance Listing No. 84.371			176,347
Student Support and Academic Enrichment Program	28-22-71-57	84.424	145,698
COVID-19 Education Stabilization Fund (Incentive)	28-20-ESRI-57	84.425D	15,956
COVID-19 Education Stabilization Fund (ESSER II-Incentive)	28-20-ES2I-57	84.425D	95,742
COVID-19 Education Stabilization Fund (ESSER II-Formula)	28-21-ES2F-57	84.425D	5,349,202
COVID-19 Education Stabilization Fund (ESSER III - EB Intervention)	28-21-ESEB-57	84.425U	3,542,811
COVID-19 Education Stabilization Fund (ESSER III-Formula)	28-21-ES3F-57	84.425U	1,954,148
COVID-19 Education Stabilization Fund (ESSER III-Incentive)	28-21-ES3I-57	84.425U	133,876
COVID-19 Education Stabilization Fund (Homeless ARP)	28-22-HARP-57	84.425W	29,298
Total Assistance Listing No. 84.425			11,121,033
Total United States Department of Education			16,707,089
United States Department of Homeland Security			
Passed through Louisiana Department of Homeland Security and Emergency Preparedness			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	PW1311	97.036	189,025
United States Department of Health & Human Services			
Passed through Louisiana Department of Education:			
Every Student Succeeds Act/Preschool Development Grants	28-22-B3SP-57	93.434	309,983
Every Student Succeeds Act/Preschool Development Grants	28-21-RSB5-57	93.434	39,567
Total Assistance Listing No. 93.434			349,550
COVID-19, Child Care and Development Block Grants	28-21-CCRC-57	93.575	88,050
Child Care and Development Block Grants	28-21-CO-57	93.575	22,677
COVID-19, Child Care and Development Block Grants	28-21-RSNC-57	93.575	45,787
Child Care and Development Block Grants	28-21-RSCC-57	93.575	47,819
COVID-19, Child Care and Development Block Grants	28-21-B3SC-57	93.575	869,928
COVID-19, Child Care and Development Block Grants	28-21-SBEC-57	93.575	37,688
Total for CCDF Cluster/Assistance Listing No. 93.575			1,111,949
Total United States Department of Health and Human Services			1,461,499
TOTAL FEDERAL AWARDS			$29,538,652

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

(1) General

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

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2022. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Noncash Programs

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

(4) Indirect Cost Rate

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Part I. Summary of Auditor's Results:

Financial Statements -

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	___ Yes	X No
Significant deficiencies identified?	___ Yes	X None reported
Noncompliance material to financial statements noted?	___ Yes	X No

Federal Awards –

Type of auditor's report issued on compliance for major programs:	Unmodified	
Internal control over major programs:		
Material weakness(es) identified?	___ Yes	X No
Significant deficiencies identified?	___ Yes	X None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance?	___ Yes	X No

Major Programs –

Assistance Listing Number	Name of Federal Program or Cluster
10.558	Child and Adult Care Food Program
84.425D, 84.425U, 84.425W	Education Stabilization Fund
84.027 and 84.173	Special Education Cluster (IDEA)
93.575	Child Care and Development Block Grant (CCDF Cluster)

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as a low-risk auditee?	X Yes	___ No

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

Part II. Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Internal Control Findings -

There were no internal control findings reported.

B. Compliance Findings -

There were no compliance findings reported.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

There are no findings and questioned costs related to federal programs that are required to be reported under the above-mentioned guidance.

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule of Current and Prior Year Audit Findings and
Management's Corrective Action Plan
Year Ended June 30, 2022

Part I. Current Year -

Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Internal Control Findings -

There were no internal control findings reported.

B. Compliance Findings -

There were no compliance findings reported.

Part II. Prior Year -

Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Internal Control Findings -

There were no internal control findings reported.

B. Compliance Findings -

There were no compliance findings reported.

VERMILION PARISH SCHOOL BOARD

SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Thomas Byler, Superintendent
and the Members of the Vermilion Parish School Board,
the Louisiana Department of Education, and the
Louisiana Legislative Auditor

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

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

The procedures and associated findings are as follows:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

   - Total General Fund Instructional Expenditures,
   - Total General Fund Equipment Expenditures,
   - Total Local Taxation Revenue,
   - Total Local Earnings on Investment in Real Property,
   - Total State Revenue in Lieu of Taxes,
   - Nonpublic Textbook Revenue, and
   - Nonpublic Transportation Revenue.

   There were no exceptions 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.

   There were no exceptions noted.

Education Levels/Experience of Public School Staff (NO SCHEDULE)

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

   There were no exceptions noted.

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including their 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).

   There were no exceptions noted.

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

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

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Vermilion Parish School Board, as required by Louisiana Revised Statute 24:514.1, 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 21, 2022

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedules Required by State Law
(R.S. 24:514 – Performance and Statistical Data)
As of and for the Year Ended June 30, 2022

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

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

Schedule 2 – Class Size Characteristics

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

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule 1
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2022

General Fund Instructional and Equipment Expenditures		
General fund instructional expenditures:		
Teacher and student interaction activities -		
Classroom teacher salaries	$28,575,870	
Other instructional staff salaries	3,559,932	
Instructional staff employee benefits	14,940,106	
Purchased professional and technical services	118,113	
Instructional materials and supplies	808,702	
Instructional equipment	43,398	
Total teacher and student interaction activities		$48,046,121
Other instructional activities		724,130
Pupil support activities	4,875,544	
Less: Equipment for pupil support activities	-	
Net pupil support activities		4,875,544
Instructional staff services	3,404,123	
Less: Equipment for instructional staff services	-	
Net instructional staff services		3,404,123
School Administration	5,532,484	
Less: Equipment for School Administration	-	
Net School Administration		5,532,484
Total general fund instructional expenditures		$62,582,402
Total general fund equipment expenditures		$ 77,914
Certain Local Revenue Sources		
Local taxation revenue:		
Ad Valorem Taxes:		
Constitutional ad valorem taxes		$ 1,514,633
Renewable ad valorem tax		11,029,371
Debt service ad valorem tax		-
Up to 1% of collections by the Sheriff on taxes other than school taxes		315,103
Sales and use taxes		14,139,949
Total local taxation revenue		$26,999,056
Local earnings on investment in real property:		
Earnings from 16th section property		$ 1,317,585
Earnings from other real property		270,127
Total local earnings on investment in real property		$ 1,587,712
State revenue in lieu of taxes:		
Revenue sharing - constitutional tax		$ 151,554
Nonpublic textbook revenue		$ 14,476
Nonpublic transportation revenue		$ -

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Schedule 2
Class Size Characteristics
As of October 1, 2021

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	73.5%	968	26.2%	345	0.2%	3	0.1%	1
Elementary activity classes	69.7%	320	28.5%	131	0.7%	3	1.1%	5
Middle/Junior high	56.6%	320	36.1%	204	7.3%	41	0.0%	-
Middle/Junior high activity classes	60.6%	94	21.9%	34	14.2%	22	3.2%	5
High	80.4%	1202	15.5%	232	3.9%	59	0.1%	2
High activity classes	78.7%	185	14.5%	34	4.7%	11	2.1%	5
Combination	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Combination activity classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-

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

Vermilion Parish School Board

Abbeville, Louisiana

Statewide Agreed-Upon Procedures

Fiscal period July 1, 2021 through June 30, 2022

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Thomas Byler, Superintendent,
and Members of the Vermilion Parish School Board
and the Louisiana Legislative Auditor:

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

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

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

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

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

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

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

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

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

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

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

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

Board or Finance Committee

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

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

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

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

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
   a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
   b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
   c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections (excluding EFTs)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies and procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
   a) Employees that are responsible for cash collections do not share cash drawers/registers.
   b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
   c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
   d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc*. Obtain supporting documentation for each of the 10 deposits and:
   a) Observe that receipts are sequentially pre-numbered.

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

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

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

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

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

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

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

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

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

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

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

   [Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.)]

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Contracts

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

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

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

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

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

Payroll and Personnel

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

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

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

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

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

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

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

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

Ethics

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

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

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

Debt Service

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

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

Fraud Notice

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

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

Information Technology Disaster Recovery/Business Continuity

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

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

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

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

Sexual Harassment

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

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

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

a. Number and percentage of public servants in the agency who have completed the training requirements;

b. Number of sexual harassment complaints received by the agency;

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

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

e. Amount of time it took to resolve each complaint.

Findings:

No exceptions were found as a result of procedures list above with the exception of:

Collections:

The school employee (bookkeeper) responsible for collecting cash is also responsible for preparing/making bank deposits without another employee/official responsible for reconciling collection documentation to the deposit.

Sexual Harassment:

The School Board did not prepare the annual sexual harassment report by February 1.

Management's Response:

Management of the Board concurs with the exceptions and are working to address the deficiencies identified.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 21, 2022