

**Madison Parish School Board  
Tallulah, Louisiana**

**Annual Financial Report  
As of and for the Year Ended June 30, 2022**

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(Concluded)

**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of the  
Madison Parish School Board  
Tallulah, 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 Madison 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 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 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

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

because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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 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 March 10, 2023, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
March 10, 2023



**REQUIRED SUPPLEMENTARY INFORMATION:**

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

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**Madison Parish School Board**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2022**

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Our discussion and analysis of Madison Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

Unless otherwise noted all amounts are reported in thousands.

### **FINANCIAL HIGHLIGHTS**

The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues, which are primarily Minimum Foundation Funding and cost reimbursement grants, and federal revenues which are mainly cost reimbursement grants.

Net position of governmental activities increased \$3,788 from the prior year primarily due to changes in deferred inflow and outflow of resources related to pension and other postemployment benefits.

The fund balance of the governmental funds decreased \$2,752 primarily due to a significant increase in capital outlays.

### **USING THIS ANNUAL REPORT**

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the General Fund, Title I and Debt Service. The proprietary fund statements provide information about our internal service fund, which is used to account for our workers' compensation self-insurance. The remaining statement, the Statement of Fiduciary Assets and Liabilities, presents financial information about activities for which the School Board acts solely as an agent for the benefit of students, parents, and citizens.

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**Madison Parish School Board  
Management's Discussion and Analysis (MD&A)  
June 30, 2022**

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***Financial Section***

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

**Basic Financial Statements**

**Government-wide  
Financial Statements**



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**Notes to the Financial Statements**

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Schedule of Employer's Proportionate Share of the Net Pension Liability  
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Budgetary Information for Major Funds**

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Nonmajor Governmental Funds Combining Statements  
Student Activities Funds by School  
Schedule of Compensation Paid to Board Members  
Schedule of Compensation, Benefits and Other Payments to Agency Head**

**Reporting the School Board as a Whole**

***The Statement of Net Position and the Statement of Activities***

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

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

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**Madison Parish School Board**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2022**

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many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

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

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

**Reporting the School Board's Most Significant Funds**

***Fund Financial Statements***

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

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

Proprietary funds - When the School Board charges customers for the services it provides, whether to outside customers or to other units of the School Board, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The School Board uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the School Board's other programs and activities (the worker's compensation fund).

**The School Board as Trustee**

***Reporting the School Board's Fiduciary Responsibilities***

The School Board is the trustee, or fiduciary, for its sales tax agency fund. All of the School Board's fiduciary activities are reported in the Statement of Fiduciary Assets and Liabilities. We exclude these activities 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.

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**Madison Parish School Board**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2022**

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**THE SCHOOL BOARD AS A WHOLE**

The School Board's net position was \$(10,747) at June 30, 2022. Of this deficit amount, \$(30,897) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use that net position for day-to-day operations. Our analysis below focuses on the net position, (Table 1) and the change in net position (Table 2) of the School Board's governmental activities.

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

	<b>Governmental Activities</b>		
	2022	2021	Variance
Other assets	\$ 10,400	\$ 12,390	\$ (1,990)
Capital assets	29,067	26,727	2,340
Total assets	39,467	39,117	350
Deferred Outflow of Resources	7,590	8,246	(656)
Other liabilities	2,201	1,437	(764)
Long-term liabilities	45,520	57,489	11,969
Total liabilities	47,721	58,926	11,205
Deferred Inflow of Resources	10,083	2,972	(7,111)
Net position:			
Net investment in capital assets	16,842	13,095	3,747
Restricted	3,308	7,800	(4,492)
Unrestricted	(30,897)	(35,430)	4,533
Total net position	\$ (10,747)	\$ (14,535)	\$ 3,788

**Madison Parish School Board**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2022**

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

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

	<b>Governmental Activities</b>		
	2022	2021	Variance
Net Position - beginning	\$ (14,535)	\$ (16,188)	\$ 1,653
<b>Revenues:</b>			
Program revenues			
Charges for services	87	17	70
Operating grants and contributions	12,145	8,523	3,622
General Revenues			
Ad valorem taxes	2,832	2,448	384
Sales taxes	3,884	4,114	(230)
State equalization	7,962	7,588	374
Other general revenues	2,520	763	1,757
Total revenues	<u>29,430</u>	<u>23,453</u>	<u>5,977</u>
<b>Functions/Program Expenses:</b>			
Instruction			
Regular programs	7,554	7,037	(517)
Special programs	322	357	35
Other instructional programs	4,438	3,947	(491)
Support services			
Student services	1,010	1,028	18
Instructional staff support	2,926	1,315	(1,611)
General administration	2,280	1,184	(1,096)
School administration	679	791	112
Business services	639	275	(364)
Plant services	2,491	2,370	(121)
Student transportation services	1,248	1,061	(187)
Central Services	235	193	(42)
Food Services	1,171	1,269	98
Community Service Program	14	14	-
Facilities Acquisition	267	-	(267)
Interest on long-term debt	368	377	9
Total expenses	<u>25,642</u>	<u>21,218</u>	<u>(4,424)</u>
<b>Increase (decrease) in net position</b>	<u>3,788</u>	<u>2,235</u>	<u>1,553</u>
Prior Period Adjustment	<u>-</u>	<u>(582)</u>	<u>582</u>
Net Position – ending	<u>\$ (10,747)</u>	<u>\$ (14,535)</u>	<u>\$ 3,788</u>

**Madison Parish School Board  
Management's Discussion and Analysis (MD&A)  
June 30, 2022**

***Governmental Activities***

As reported in the Statement of Activities, the cost of all governmental activities this year was \$25,642. The amount that taxpayers ultimately financed for these activities through School Board taxes was \$6,716 because some of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions of \$12,145. The remaining amount was paid by MFP funds of \$7,963 and other revenues of \$2,520 which are mainly interest income and other local sources. The net change of \$3,788 increased the net position.

Total revenues increased \$5,977 due to increased operating grants and contributions.

Total expenses increased \$4,424 due to additional programs and services provided to students to enhance learning opportunities in order to compensate for interruptions and obstacles caused by the COVID-19 pandemic.

In the table below, we have presented the cost of each of the School Board's six largest functions: regular programs, other instructional programs, instructional staff support, general administration, plant services, and student transportation services 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  
For the Years Ended June 30,  
(in thousands)**

	<b>2022</b>		<b>2021</b>	
	<b>Total Cost of Services</b>	<b>Net Cost of Services</b>	<b>Total Cost of Services</b>	<b>Net Cost of Services</b>
Regular programs	\$ 7,554	\$ 5,677	\$ 7,037	\$ 5,453
Other instructional programs	4,438	798	3,947	797
Instructional staff support	2,926	(5)	1,315	1,315
General Administration	2,280	863	1,184	1,184
Plant services	2,491	2,398	2,370	2,215
Student transportation services	1,248	1,221	1,061	845
All others	4,705	2,458	4,304	869
Totals	<u>\$ 25,642</u>	<u>\$ 13,410</u>	<u>\$ 21,218</u>	<u>\$ 12,678</u>

**THE SCHOOL BOARD'S FUNDS**

As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

The fund balances of all governmental funds decreased \$2,752 primarily due to the large capital outlay in the debt service fund.

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**Madison Parish School Board**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2022**

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General Fund had a increase in fund balance of \$1,572 as expenses did not increase equally with the increase in revenue and other income increased significantly. The debt service fund decreased \$4,403 due mainly to increased capital outlay. The Nonmajor Governmental funds decreased \$249 primarily due to the extra maintenance cost paid from the Sales Tax Maintenance Fund.

Title I, ESSERF II and ESSER III are major funds on a cost-reimbursement basis, and accordingly, does not carry fund balances.

***General Fund Budgetary Highlights***

The actual amounts available for appropriations exceeded the budgeted amounts by \$919. This was mainly an increase in State Equalization Funding of \$448, failure to budget for Ad Valorem taxes of \$1,177, and the other revenue sources of \$665 not materializing.

The actual total charges to appropriations were more than the budgeted amounts by \$230, which was small variances in several functions.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets** At June 30, 2022, the School Board had \$29,067 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$2,340 or 9%, from last year. This increase is due to capital asset additions of \$3,455 and current year depreciation of \$1,060. We present more detailed information on our capital assets in Note 5 to the financial statements.

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

Governmental Activities

	2022	2021	Variance
Land	\$ 936	\$ 936	\$ -
Land improvements	2,559		2,559
Buildings	24,201	24,957	(756)
Furniture and equipment	1,371	834	537
Totals	\$ 29,067	\$ 26,727	\$ 2,340



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**Madison Parish School Board  
Management's Discussion and Analysis (MD&A)  
June 30, 2022**

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**DEBT ADMINISTRATION**

At June 30, 2022, the School Board had \$13,142 in long term debt versus \$14,634 last year. The outstanding debt consists of (in thousands):

	2022	2021	Variance
General obligation bonds	\$ 9,262	\$ 10,269	\$ (1,007)
Sales tax revenue bonds	3,880	4,365	(485)
	\$ 13,142	\$ 14,634	\$ (1,492)

The State limits the amount of general obligation debt that can be issued to 35% of the assessed value of taxable property. The net bonded debt of \$11,670 (total bonded debt of \$13,142 less the fund balance in debt service of \$1,472) is well below this threshold. We present more detailed information on our long term debt in Note 10 to the financial statements.

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

The 2021-2022 budget was estimated from the 2020-2021 fiscal year actual results. As of June 30, 2022, sales tax collections for Madison Parish have actually increased as citizens (individual and corporate) spent the Federal CARES stimulus during the fiscal year. The system may be eligible for more funding as information becomes available. Due to the uncertainty of the immediate financial assistance from either State or Federal sources, the ultimate impact to the School Board cannot be determined at this time.

**CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mr. Elvin Parker, Business Manager, at Madison Parish School Board, P. O. Box 1620, Tallulah, Louisiana 71284, telephone number (318) 574-3616.

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**BASIC FINANCIAL STATEMENTS:**

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

**MADISON PARISH SCHOOL BOARD**

**STATEMENT OF NET POSITION  
June 30, 2022**

**Statement A**

	<b>GOVERNMENTAL ACTIVITIES</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,385,228
Receivables	3,796,672
Inventory	13,616
Prepaid items	203,887
Capital assets:	
Land and construction in progress	936,308
Depreciable assets, net of depreciation	28,131,072
<b>TOTAL ASSETS</b>	<u>39,466,783</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge on refunding bonds	1,082,536
Deferred outflows related to OPEB	2,052,699
Deferred outflows related to pensions	4,454,458
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>7,589,693</u>
<b>LIABILITIES</b>	
Accounts, salaries and other payables	2,077,082
Unearned revenue	26,356
Interest payable	97,509
Long-term liabilities:	
Long-term debt due within one year	1,809,829
Long-term debt due in more than one year	12,164,791
OPEB liability	22,668,438
Net pension liability	8,877,022
<b>TOTAL LIABILITIES</b>	<u>47,721,027</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pensions	6,002,209
Deferred inflows related to OPEB	4,080,324
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>10,082,533</u>
<b>NET POSITION</b>	
Net investment in capital assets	16,842,381
Restricted for:	
Miscellaneous grant programs	-
School food service	1,340,088
Maintenance	194,211
Salaries	334,525
Debt service	1,374,516
Student activity funds	64,738
Capital projects	6
Unrestricted	(30,897,549)
<b>TOTAL NET POSITION</b>	<u>\$ (10,747,084)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

MADISON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2022

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 7,554,459	\$ -	\$ 1,877,713	\$ (5,676,746)
Special programs	322,392	-	141,693	(180,699)
Other instructional programs	4,437,770	-	3,639,672	(798,098)
Support services:				
Student services	1,010,288	-	518,519	(491,769)
Instructional staff support	2,926,285	-	2,931,233	4,948
General administration	2,280,007	-	1,416,788	(863,219)
School administration	679,397	-	91,511	(587,886)
Business services	638,977	-	-	(638,977)
Plant services	2,490,897	-	92,413	(2,398,484)
Student transportation services	1,247,656	-	26,496	(1,221,160)
Central services	235,291	-	126,965	(108,326)
Food services	1,170,709	86,754	1,281,817	197,862
Community service programs	13,650	-	-	(13,650)
Facilities Acquisition (less than capitalization threshold)	266,752	-	-	(266,752)
Interest on long-term debt	367,407	-	-	(367,407)
Total Governmental Activities	<u>\$ 25,641,937</u>	<u>\$ 86,754</u>	<u>\$ 12,144,820</u>	<u>(13,410,363)</u>

General revenues:

Taxes:	
Ad valorem taxes	2,832,352
Sales and use taxes	3,883,803
Grants and contributions not restricted to specific programs	
Minimum Foundation Program (Equalization)	7,962,505
State revenue sharing	70,451
Interest and investment earnings	6,078
Miscellaneous	2,443,627
Total general revenues	<u>17,198,816</u>
Changes in net position	3,788,453
Net position - beginning deficit	<u>(14,535,537)</u>
Net position - ending deficit	<u>\$ (10,747,084)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

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**BASIC FINANCIAL STATEMENTS:  
FUND FINANCIAL STATEMENTS (FFS)**

**MADISON PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2022**

	<b>GENERAL</b>	<b>TITLE I</b>	<b>SCHOOL FOOD SERVICE</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,069,213	\$ 197,028	\$ 1,363,972
Receivables	367,924	164,852	126,061
Interfund receivables	3,335,232	168,334	44,921
Inventory	-	-	13,616
Prepaid items	203,887	-	-
	<b>4,976,256</b>	<b>530,214</b>	<b>1,548,570</b>
<b>TOTAL ASSETS</b>			
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	291,476	172,033	125,948
Interfund payables	444,416	358,181	81,811
Unearned revenue	-	-	723
	<b>735,892</b>	<b>530,214</b>	<b>208,482</b>
<b>TOTAL LIABILITIES</b>			
<b>Fund balances:</b>			
Nonspendable	203,887	-	13,616
Restricted	334,525	-	1,326,472
Committed	-	-	-
Unassigned	3,701,952	-	-
	<b>4,240,364</b>	<b>-</b>	<b>1,340,088</b>
<b>Total fund balances</b>			
<b>TOTAL LIABILITIES AND FUND BALANCES</b>			
	<b>\$ 4,976,256</b>	<b>\$ 530,214</b>	<b>\$ 1,548,570</b>

(Continued)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



**Statement C**

<u>ESSERF II</u>	<u>ESSERF III</u>	<u>DEBT SERVICE</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 1,568,477	\$ 1,390,814	\$ 5,589,504
750,595	1,190,566	238,793	957,881	3,796,672
-	-	30,283	200,878	3,779,648
-	-	-	-	13,616
-	-	-	-	203,887
<u>750,595</u>	<u>1,190,566</u>	<u>1,837,553</u>	<u>2,549,573</u>	<u>13,383,327</u>
180,280	403,610	365,528	538,207	2,077,082
570,315	785,775	-	1,539,150	3,779,648
-	1,181	-	24,452	26,356
<u>750,595</u>	<u>1,190,566</u>	<u>365,528</u>	<u>2,101,809</u>	<u>5,883,086</u>
-	-	-	-	217,503
-	-	1,472,025	258,955	3,391,977
-	-	-	188,809	188,809
-	-	-	-	3,701,952
<u>-</u>	<u>-</u>	<u>1,472,025</u>	<u>447,764</u>	<u>7,500,241</u>
<u>\$ 750,595</u>	<u>\$ 1,190,566</u>	<u>\$ 1,837,553</u>	<u>\$ 2,549,573</u>	<u>\$ 13,383,327</u>

(Concluded)

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**MADISON PARISH SCHOOL BOARD**

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

		<b>Statement D</b>
Total fund balances - governmental funds	\$	7,500,241
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>		
Costs of capital assets	\$	50,600,866
Depreciation expense to date	<u>(21,533,486)</u>	29,067,380
<p>Net position of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.</p>		
Total net position		731,724
<p>For advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying value of the old debt is reported as a deferred outflow of resources for full accrual reporting.</p>		
		1,082,536
<p>Deferred outflow/inflows related to pensions and OPEB are not due and payable in the current period and accordingly are not reported in the fund financial statements.</p>		
Deferred outflows on pensions	4,454,458	
Deferred outflows on OPEB	2,052,699	
Deferred inflows on pensions	(6,002,209)	
Deferred inflows on OPEB	<u>(4,080,324)</u>	(3,575,376)
<p>Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.</p>		
Balances are June 30, 2022 are:		
Long-term liabilities		
General obligation and sales tax bonds	(13,142,000)	
Premium on bonds	(165,541)	
Compensated absences payable	(603,079)	
OPEB liability payable	(22,668,438)	
Net pension liability	(8,877,022)	
Interest payable	<u>(97,509)</u>	<u>(45,553,589)</u>
Total net position - governmental activities	\$	<u>(10,747,084)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**MADISON PARISH SCHOOL BOARD**

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

	<u>GENERAL</u>	<u>TITLE I</u>	<u>SCHOOL FOOD SERVICE</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 1,176,508	\$ -	\$ -
Sales and use	1,558,401	-	-
Interest earnings	2,416	-	653
Food services	-	-	791
Other	1,377,224	-	85,999
State sources:			
Equalization	7,947,540	-	14,965
Other	78,044	-	-
Federal sources	97,577	2,033,736	1,354,679
<b>TOTAL REVENUES</b>	<u>12,237,710</u>	<u>2,033,736</u>	<u>1,457,087</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	4,741,783	178,599	-
Special programs	240,877	-	-
Other instructional programs	706,489	814,335	-
Support Services:			
Student services	565,558	203,906	-
Instructional staff support	418,828	561,362	-
General administration	908,503	189,099	-
School administration	811,496	-	-
Business services	591,800	-	-
Plant services	439,204	72	-
Student transportation services	1,018,333	1,919	-
Central services	172,753	84,444	-
Food Services	46,944	-	1,128,179
Community service programs	13,650	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal retirement	-	-	-
Bond Issuance Costs	-	-	-
Interest and bank charges	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>10,676,218</u>	<u>2,033,736</u>	<u>1,128,179</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>1,561,492</u>	<u>-</u>	<u>328,908</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	10,100	-	-
Transfers out	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>10,100</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	1,571,592	-	328,908
<b>FUND BALANCES - BEGINNING</b>	<u>2,668,772</u>	<u>-</u>	<u>1,011,180</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,240,364</u>	<u>\$ -</u>	<u>\$ 1,340,088</u>

(Continued)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

<u>ESSERF II</u>	<u>ESSERF III</u>	<u>DEBT SERVICE</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 1,224,208	\$ -	\$ 2,400,716
-	-	1,550,268	775,134	3,883,803
-	-	2,369	207	5,645
-	-	-	-	791
-	-	672,367	439,054	2,574,644
-	-	-	-	7,962,505
-	-	-	292,359	370,403
<u>4,009,700</u>	<u>2,324,305</u>	<u>-</u>	<u>1,954,420</u>	<u>11,774,417</u>
<u>4,009,700</u>	<u>2,324,305</u>	<u>3,449,212</u>	<u>3,461,174</u>	<u>28,972,924</u>
997,891	237,107	1,572,378	624,058	8,351,816
-	12,106	-	126,883	379,866
1,311,256	685,126	444,221	957,016	4,918,443
47,120	149,470	-	295,017	1,261,071
698,405	916,245	-	689,335	3,284,175
771,125	324,251	2,250	136,609	2,331,837
89,328	-	-	-	900,824
-	-	69,408	78,925	740,133
86,033	-	964,860	542,782	2,032,951
8,542	-	259,758	210,540	1,499,092
-	-	-	39,492	296,689
-	-	-	-	1,175,123
-	-	-	-	13,650
-	-	2,667,460	-	2,667,460
-	-	1,492,000	-	1,492,000
-	-	1,000	-	1,000
-	-	379,136	-	379,136
<u>4,009,700</u>	<u>2,324,305</u>	<u>7,852,471</u>	<u>3,700,657</u>	<u>31,725,266</u>
-	-	(4,403,259)	(239,483)	(2,752,342)
-	-	-	-	10,100
-	-	-	(10,100)	(10,100)
-	-	-	(10,100)	-
-	-	(4,403,259)	(249,583)	(2,752,342)
-	-	5,875,284	697,347	10,252,583
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,472,025</u>	<u>\$ 447,764</u>	<u>\$ 7,500,241</u>

(Concluded)

MADISON PARISH SCHOOL BOARD

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

	Statement F
Total net change in fund balances - governmental funds	\$ (2,752,342)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the period:	
Depreciation expense	\$ (1,060,420)
Capital outlays	<u>3,455,220</u>
	2,394,800
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Repayment of bond debt	<u>1,492,000</u>
	1,492,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
OPEB liability	451,663
In the Statement of Activities, certain operating expenses - compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$200,297) was more than the amounts earned (\$518,089)..	
	(317,722)
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.	
	2,587,828
All revenues, expenses and changes in fund net position (deficits) of the Internal Service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.	
	3,789
Bond premiums are reported as other financing sources in the governmental funds and thus contribute to the changes in fund balance. In the statement of net position, however, bond premiums increase long-term debt and are amortized over the life of the bonds.	
Amortization of bond premium	(84,292)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	<u>12,729</u>
Change in net position of governmental activities.	<u>\$ 3,788,453</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**MADISON PARISH SCHOOL BOARD**  
**PROPRIETARY FUND TYPE - INTERNAL SERVICE**  
**STATEMENT OF NET POSITION**  
**June 30, 2022**

**Statement G**

<b>ASSETS</b>	
Current assets:	
Cash	\$ 795,724
<b>TOTAL ASSETS</b>	<b>795,724</b>
<b>LIABILITIES</b>	
Current liabilities	
Claims payable	64,000
<b>TOTAL LIABILITIES</b>	<b>64,000</b>
<b>NET POSITION</b>	
Unrestricted	731,724
<b>TOTAL NET POSITION</b>	<b>\$ 731,724</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**MADISON PARISH SCHOOL BOARD**

**PROPRIETARY FUND TYPE - INTERNAL SERVICE**  
**Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position**  
**For the Year Ended June 30, 2022**

	<b>Statement H</b>
OPERATING REVENUE	
Insurance refunds	\$ 25,397
	<hr/>
TOTAL OPERATING REVENUE	25,397
	<hr/>
OPERATING EXPENSES	
Claims	21,290
Administration	751
	<hr/>
TOTAL OPERATING EXPENSES	22,041
	<hr/>
Operating income (loss)	3,356
	<hr/>
NONOPERATING REVENUE	
Earnings on investments	433
	<hr/>
Changes in Net Position	3,789
	<hr/>
NET POSITION - BEGINNING	727,935
	<hr/>
NET POSITION - ENDING	\$ 731,724
	<hr/> <hr/>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



**MADISON PARISH SCHOOL BOARD**

**PROPRIETARY FUND TYPE - INTERNAL SERVICE**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2022**

**Statement I**

CASH FLOWS FROM OPERATING ACTIVITIES

Insurance refunds	\$ 25,397
Claims paid	(41,041)
	<hr/>
Net cash provided (used) by operating activities	(15,644)

CASH FLOWS FROM INVESTING ACTIVITIES

Earnings on invested proceeds	433
	<hr/>
Net increase (decrease) in cash and cash equivalents	(15,211)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 

---

 810,935

CASH AND CASH EQUIVALENTS AT END OF YEAR 

---

 795,724 

---

RECONCILIATION OF OPERATING INCOME (LOSS) TO  
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	3,356
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Change in assets and liabilities:	
Increase (decrease) in claims payable	(19,000)
	<hr/>
Net cash provided (used) by operating activities	\$ (15,644)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**MADISON PARISH SCHOOL BOARD**

**FIDUCIARY FUND**  
**Statement of Fiduciary Net Position**  
**June 30, 2022**

**Statement J**

	<b>CUSTODIAL FUND</b>
	<b>SALES TAX COLLECTIONS</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 196,815
Cash, restricted- paid under protest	<u>218,314</u>
<b>TOTAL ASSETS</b>	<u>415,129</u>
<b>LIABILITIES</b>	
Accounts, salaries and other payables	<u>202,824</u>
<b>TOTAL LIABILITIES</b>	<u>202,824</u>
<b>NET POSITION</b>	
Individuals, organizations and other governments	<u>212,305</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 212,305</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**MADISON PARISH SCHOOL BOARD**  
**CUSTODIAL FUNDS**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2022**

	<b>Statement K</b>
	<b>CUSTODIAL FUND</b>
	<b><u>SALES TAX COLLECTIONS</u></b>
<b>ADDITIONS</b>	
Interest on investments and other revenue	<u>\$ -</u>
<b>TOTAL ADDITIONS</b>	<u>-</u>
<b>DEDUCTIONS</b>	
Other costs	<u>1,590</u>
<b>TOTAL DEDUCTIONS</b>	<u>1,590</u>
Net increase (decrease) in fiduciary net position	(1,590)
<b>NET POSITION - Beginning, as originally stated</b>	<u>213,895</u>
<b>NET POSITION - Ending</b>	<u><u>\$ 212,305</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Madison Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2022**

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**Madison Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. REPORTING ENTITY**

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

The School Board operates five schools within the parish with a total enrollment of approximately 1,191 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.

**B. FUNDS**

The accounts of the School Board are organized and operated on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

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

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

**General fund** - the general operating fund of the School Board accounts for all financial resources, except those accounted for in other funds.

**Title I fund** - accounts for federal funds received for the Title I federal program.

**School Food Service** - Through cash grants and food donations, the school food service fund assists in providing a nutritious breakfast and lunch service for school students and encourages the domestic consumption of nutritious agricultural commodities.

**ESSERF II** - This program is funded as part of the Education Stabilization Fund in the CARES Act to continue to address the impact that the COVID-19 virus has had and continues to have on elementary and secondary schools across the Nation.

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**ESSERF III** - This additional program is funded as part of the Education Stabilization Fund in the CARES Act to continue to address the impact that the COVID-19 virus has had and continues to have on elementary and secondary schools across the Nation.

**Debt Service fund** - accounts for taxes collected for payment of debt and the debt service payments on the general obligation bonds and the sales tax bonds.

**Proprietary Funds** - Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

**Internal service fund** - accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. This fund accounts for the workers' compensation program.

**Fiduciary Funds** - account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments.

Custodial funds are used to account for assets that the government holds for others in an agency capacity. These custodial funds are as follows:

Sales tax fund - accounts for monies collected on behalf of other taxing authorities in Madison Parish. The responsibility for the sales tax collection was transferred to another tax collection entity at the start of the 2020-2021 fiscal year. This fund still has some residual amounts to be transferred to the new tax collection entity.

### **C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)** The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

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

**Internal activities** - The Workers' Compensation internal service fund provides services to the governmental funds. Accordingly, the Workers' Compensation fund activity was rolled into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis- for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

**Program revenues** - Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be

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financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

**Allocation of indirect expenses** - The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

**Fund Financial Statements (FFS)**

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

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

**Revenues**

**Federal and state entitlements** which include state equalization and state revenue sharing are recorded as unrestricted grants-in-aid when available and measurable. Federal and state restricted grants are recorded when the reimbursable expenditures have been incurred.

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

**Sales taxes** are recognized when the underlying exchange takes place and the resources are available.

**Interest income** on time deposits and investments is recorded when the interest becomes measurable and available to finance expenditures of the fiscal period.

**Expenditures** are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Salaries** are recorded as paid. Salaries for nine-month employees are paid over twelve months and accrued at June 30.

**Principal and interest** on long-term debt is recognized when due.

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**Inventory** items are expensed as purchased except for inventory of the school lunch fund which is expensed as consumed.

**Compensated absences** are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death.

**Other Financing Sources (Uses)** Transfers between funds that are not expected to be repaid (or other types, such as sale of capital assets, debt extinguishments, and long-term debt proceeds) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**Proprietary Fund** – The proprietary fund is accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets, all liabilities and deferred outflows/inflows of resources associated with the operation of the fund are included on the Statement of Net Position.

**Operating revenues and expenses** The proprietary fund distinguishes operating revenues and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with the fund's principal ongoing operation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Under state law, the School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less they are classified as cash equivalents and are stated at cost.

**E. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

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

**F. ELIMINATION AND RECLASSIFICATIONS**

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.



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**G. INVENTORY AND PREPAID ITEMS**

Inventory items are expensed as purchased except for inventory of the school food service fund. Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture. Certain payments to vendors reflect cost applicable to future accounting periods and are reported as prepaid items.

**H. CAPITAL ASSETS**

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

Buildings	15 - 40 years
Furniture and equipment	3 - 10 years

**I. UNEARNED REVENUES**

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

**J. COMPENSATED ABSENCES**

All 12-month employees earn ten days of vacation leave each year. Vacation leave can be accumulated up to a maximum of twenty-five days. However, those employees who had accumulated more than twenty-five days prior to June 30, 2003 could have their full accumulated leave count carried forward. The amount accumulated can never exceed the amount at June 30, 2003.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

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

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

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

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

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

**K. LONG-TERM LIABILITIES**

For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The OPEB Plan is a single employer defined benefit “substantive plan” as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB Plan is reported based on communication to plan members.

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

**L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has three types of items that qualify for reporting in this category. One item is deferred charges on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In the Statement of Net Position, the net investment in capital assets of \$13,094,841 includes the effect of deferring the recognition of expense from the deferred charge on refunding. The \$1,220,360 balance of deferred outflow of resources will be recognized as expense and decrease in net investment in capital assets over the remaining 10 years. The School Board has deferred outflows related to the net pension liability recorded as well as related to other post-employment benefits. See Note 6 for additional information related to the net pension liability recorded and Note 7 related to the other post-employment benefits.

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

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net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has deferred inflows related to the net pension liability recorded. See Note 6 for additional information related to the net pension liability recorded.

**M. RESTRICTED NET POSITION**

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

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

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

The net position restricted for debt service and salaries is restricted due to enabling legislation.

**N. FUND EQUITY OF FUND FINANCIAL STATEMENTS**

GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions* requires the fund balance amounts to be reported within the fund balance categories as follows:

**Non-spendable:** Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

**Restricted:** Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**Committed:** Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of a resolution passed at a School Board meeting committing the funds. The resolutions are usually the result of budget revisions.

**Assigned:** Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

**Unassigned:** Fund balance that is the residual classification for the general fund.

It is the School Board's policy to use restricted amounts first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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**O. INTERFUND ACTIVITY**

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

**P. SALES TAX**

The School Board collects 2.5% sales tax. Of the sales tax collected 1% is dedicated for salaries, .5% is dedicated for maintenance and 1% is dedicated for capital projects, which includes the authority to fund the sales tax into bonds.

**Q. BUDGETS**

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

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

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget. The Board adopted original and revised budgets for the general fund in the current year.

**Encumbrances** Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed.

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

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**R. USE OF ESTIMATES**

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

**NOTE 2 - LEVIED TAXES** The School Board levies taxes on real and business personal property located within Madison Parish’s boundaries. Property taxes are levied by the School Board on property values assessed by the Madison Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

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

Property Tax Calendar

Millage rates adopted	September, 2020
Levy date	November, 2020
Due date	December 31, 2020
Lien date	January 1, 2021

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

10% land	15% industrial improvements
15% machinery	15% commercial improvements
10% residential improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2020.

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

All property taxes are recorded in the general and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2020 property taxes due to insignificant balance considered outstanding at year-end.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of property taxes begins in December and ends around February of the following calendar year, still within the fiscal year, each year.

Historically, virtually all ad valorem taxes receivable are collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

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

	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Constitutional	4.58	4.52	Statutory
Operations	5.25	5.18	2022
Debt service	12.20	12.00	2029

**NOTE 3 - DEPOSITS** At June 30, 2022, the School Board has cash and cash equivalents of \$6,800,357.

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

**Interest rate risk:** The School Board’s policy does not address interest rate risk.

**Credit risk:** The School Board’s policy does not address credit risk.

**Custodial credit risk:** At year end, the School Board’s carrying amount of deposits was \$6,800,357 (Statement A and J) and the bank balance was \$7,302,128. Of the bank balance, \$500,000 was covered by federal depository insurance or by collateral held by the School Board’s agent in the School Board’s name. The remaining bank balance was collateralized with securities held by the pledging financial institution’s trust department or agent but not in the School Board’s name. Louisiana Revised Statue 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4 - RECEIVABLES** The balance of receivables at June 30, 2022, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	Intergovernmental - grants:		Local sources:		Total
	Federal	State	Sales tax	Other	
General	\$ -	\$ -	\$ 238,770	\$ 129,154	\$ 367,924
Title I	164,852	-	-	-	164,852
School Food Service	126,061	-	-	-	126,061
ESSERF II	750,595	-	-	-	750,595
ESSERF III	1,190,566	-	-	-	1,190,566
Debt Service	-	-	238,720	73	238,793
Nonmajor Governmental	682,344	120,757	119,271	35,509	957,881
Total	\$ 2,914,418	\$ 120,757	\$ 596,761	\$ 164,736	\$ 3,796,672

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**NOTE 5 - CAPITAL ASSETS** Capital asset balances and activity for the year ended June 30, 2022 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital asset not being depreciated				
Land	\$ 936,308	\$ -	\$ -	\$ 936,308
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>936,308</u>	<u>-</u>	<u>-</u>	<u>936,308</u>
Capital assets being depreciated				
Land improvements - artificial football field	-	2,444,148		2,444,148
Land improvements - fences	-	114,400		114,400
Buildings and improvements	43,182,506	136,436		43,318,942
Furniture and equipment	3,648,247	760,236	621,415	3,787,068
Total capital assets being depreciated	<u>46,830,753</u>	<u>3,455,220</u>	<u>621,415</u>	<u>49,664,558</u>
Less accumulated depreciation				
Buildings and improvements	18,225,219	892,294	-	19,117,513
Furniture and equipment	2,814,294	168,126	566,447	2,415,973
Total accumulated depreciation	<u>21,039,513</u>	<u>1,060,420</u>	<u>566,447</u>	<u>21,533,486</u>
Total capital assets being depreciated, net	<u>25,791,240</u>	<u>2,394,800</u>	<u>54,968</u>	<u>28,131,072</u>
Governmental activities				
Capital assets, net	<u>\$ 26,727,548</u>	<u>\$ 2,394,800</u>	<u>\$ 54,968</u>	<u>\$ 29,067,380</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 306,280
Other instructional programs	97,618
Plant services	480,092
Student transportation services	66,154
Food services	110,276
Total depreciation expense	<u>\$ 1,060,420</u>

**NOTE 6 - PENSION PLANS**

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

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

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**General Information about the Pension Plans**

**Plan Descriptions/Benefits Provided:**

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

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

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

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service, who has withdrawn from active service prior to the age at which that pension is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits.

Upon the death of a member with five or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

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



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

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

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

**Deferred Retirement Option Program (DROP)**

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

**Cost of Living Adjustments**

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as these ad hoc COLAs were deemed not to be substantively automatic.

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**Contributions:**

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

Employer contributions to LSERS for fiscal year 2022 were \$224,134 with active member contributions ranging from 7.5% to 8%, and employer contributions of 28.7%. Employer defined benefit plan contributions to TRSL for fiscal year 2022 were \$2,213,800, with active member contributions of 8%, and employer contributions of 25.2%. Non-employer contributing entity contributions to TRSL, which are comprised of ad valorem tax revenue of \$63,191 and PIP revenue of \$1,904 for fiscal year 2022, and was recognized as revenue by the School Board.

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

At June 30, 2022, the School Board reported liabilities of \$1,058,873 and \$7,818,150 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). This liability will be liquidated by the general fund and special revenue funds with recorded salaries. The NPL for LSERS and TRSL was measured as of June 30, 2022, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2022, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date was .222772%, or an increase of .027% for LSERS and .14644%, or a decrease of .001% for TRSL. For the year ended June 30, 2022, the School Board recognized a total pension expense of \$(149,894), or \$85,634 and \$(235,528) for LSERS and TRSL, respectively.

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

	<u>Deferred Outflows</u>			<u>Deferred Inflows</u>		
	<u>LSERS</u>	<u>TRSL</u>	<u>Total</u>	<u>LSERS</u>	<u>TRSL</u>	<u>Total</u>
Differences between expected and actual experience	\$ 22,903	\$ 39,931	\$ 62,834	\$ 15,386	\$ 118,215	\$ 133,601
Changes of assumptions	34,890	761,038	\$ 795,928	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	\$ -	402,857	5,277,477	5,680,334
Changes in proportion and differences between employer contributions and proportionate share of contributions	127,269	1,030,494	\$ 1,157,763	64,285	123,989	188,274
Employer contributions subsequent to the measurement date	224,133	2,213,800	2,437,933	-	-	-
Total	<u>\$ 409,195</u>	<u>\$ 4,045,263</u>	<u>\$ 4,454,458</u>	<u>\$ 482,528</u>	<u>\$ 5,519,681</u>	<u>\$ 6,002,209</u>

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Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	LSERS	TRSL	Total
2022	\$ (52,226)	\$ (559,447)	\$ (611,673)
2023	11,233	(569,904)	(558,671)
2024	(97,078)	(961,751)	(1,058,829)
2025	(159,395)	(1,597,116)	(1,756,511)

*Actuarial Assumptions*

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

	LSERS	TRSL
Valuation Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years, closed period	5 years, close period
Investment Rate of Return	6.90% per annum	7.4%, net of investment expenses
Inflation Rate	2.5% per annum	2.3% per annum
Projected Salary Increases	3.25%	3.1% to 4.6% varies depending on duration of service
Cost of Living Adjustments	Not substantively automatic	Not substantively automatic
Mortality - Non-disabled	RP-2014 Sex Distinct Employee Tables, RP-2014 Healthy Annuitant Tables	Active members - 'RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females. Inactive members - RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females
Mortality-Disabled	RP-2014 Disabled Lives Mortality Table for males and females, with full generational MP2017 scale	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females
Termination, Disability, Retirement	2012-2017 experience study	2012-2017 experience study

*Changes of assumptions.* For LSERS, the current year actuarial assumptions were reset based on a plan experience study performed in 2018 using plan data for the period July 1, 2012, through June 30, 2017. The June 30, 2021, actuarial valuation reflects the following changes to actuarial methodologies and assumptions:

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- As a result of the experience study, the LSERS Board of Trustees approved a reduction in the discount rate to 7.0% over the next two years. As a result, the discount rate remained constant from 7.0% as of June 30, 2019 valuation, to 7.0% as of June 30, 2021.

The TRSL discount rate used in the June 30, 2021 net pension liability valuation was decreased from the 7.55% used in the June 30, 2019 valuation to 7.45%. The discount rate was reduced in accordance with the TRSL Board's adopted plan to reduce the discount rate to 7.5% in 0.05% annual increments. This change was anticipated in the prior valuation when determining the projected contribution requirements for fiscal year 2022.

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation, of 2%, and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.38% for 2020.

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

Best estimates of arithmetic real rates of return for each major asset class are summarized for each plan in the following table:

	Target Allocation	LT Expected Real Rate of Return
<b>TRSL (arithmetic)</b>		
Domestic equity	27.00%	4.21%
International equity	19.00%	5.23%
Domestic fixed income	13.00%	0.44%
International fixed income	5.50%	0.56%
Private assets	25.50%	8.48%
Other private assets	10.00%	4.27%
Total	100.00%	
<b>LSERS (arithmetic)</b>		
Fixed income	26.00%	0.76%
Equity	39.00%	2.84%
Alternatives	23.00%	1.87%
Real Estate	12.00%	0.60%
Real Assets	0.00%	0.00%
Total	100.00%	6.07%
Inflation		2.10%
Expected arithmetic nominal return		8.17%

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

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
LSERS	\$ 1,630,720	\$ 1,058,873	\$ 570,067
TRSL	12,938,246	7,818,150	3,511,611

*Pension plan fiduciary net position -* Detailed information about LSERS and TRSL fiduciary net position is available in the separately issued financial reports referenced above.

*Payables to the Pension Plan -* At June 30, 2022, the School Board had no payables to LSERS and no payables to TRSL for the June 2021 employee and employer legally required contributions.

**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS**

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

***Benefits Provided and Funding Policy*** - The plan provides medical and life insurance benefits for retirees and their dependents. The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contributes approximately 25% of the medical premium with the School Board contributing the balance. This percentage will be greater for eligible retirees with less than 20 years of service. Medical coverage is provided through options under the Louisiana Office of Group Benefits (OGB). A Medicare supplement benefit is provided at Medicare eligibility. Benefits continue for life. A life insurance benefit depending on final salary is provided at retirement prior to age 65. The life insurance benefit may continue for life if the retiree pays premiums. The cost of life insurance is shared with the retiree and the School Board.

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**Employees Covered by Benefit Terms** - At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	116
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	101
Employees with life insurance benefit but not medical benefit	55
Total	272

**Total OPEB Liability** - The School Board's total OPEB liability of \$24,249,181 was measured as of June 30, 2022 and was determined by an actuarial valuation as of the same date. The OPEB liability will be liquidated by the general funds and special revenue funds with recorded salaries.

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Individual Entry Age Normal Cost Method- Level Percentage of Projected Salary
Discount rate	3.54%
Healthcare trend	Level 4.5% trend rate
Mortality	RPH-2014 Total Table with Projection MP-2020
Turnover	Range from 9% at age 25 to 4.20% at age 55 and over
Retirement rates	Ranges from 75% at age 55 with 25-29 years of service to 25% at age 60 and 22% at age 66+
Salary increase	3.50%
Retirees' share of benefit-related costs	25% of the medical contributions and 50% of the cost of life insurance

**Changes in the Total OPEB Liability:**

	Total OPEB Liability
Balance at June 30, 2021	\$ 24,249,181
Changes for the year:	
Service cost	948,433
Interest	534,590
Changes in assumptions or other inputs	(2,167,582)
Benefit payments	(896,184)
Net changes	(1,580,743)
Balance at June 30, 2022	\$ 22,668,438

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate** - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate.

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	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	\$25,911,415	\$22,668,438	\$20,037,220

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower than the current healthcare cost trend rates.

	1% Decrease (3.5%)	Trend Rate (4.5%)	1% Increase (5.5%)
Total OPEB liability	\$20,075,705	\$22,668,438	\$25,877,462

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB** – For the year ended June 30, 2022, the School Board recognized OPEB expense of \$1,003,155. At June 30, 2022, the School Board reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions/inputs	\$ 2,052,699	
Differences between expected and actual experience		\$ (4,080,324)

The net amounts of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2022	\$ (962,820)
2023	(688,613)
2024	(376,192)
	\$ (2,027,625)

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**NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES** Payables at year-end are as follows:

	Accounts	Salaries	Total
General	\$ 129,120	\$ 162,356	\$ 291,476
Title I	21,678	150,355	172,033
School Food Services	-	125,948	125,948
ESSERF II	-	180,280	180,280
ESSERF III	389,688	13,922	403,610
Debt Service	365,528	-	365,528
Nonmajor Governmental	139,632	398,575	538,207
Total	\$ 1,045,646	\$ 1,031,436	\$ 2,077,082

**NOTE 9 - COMPENSATED ABSENCES** At June 30, 2022, employees of the School Board have accumulated and vested \$603,079 of employee leave benefits, which were computed in accordance with GASB Codification Section C60.



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**NOTE 10 - LONG-TERM LIABILITIES** The following is a summary of the long-term obligation transactions for the year:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Private placement bonds payable:					
2013 General Obligation- Refunding	\$ 1,425,000	\$ -	\$ 500,000	\$ 925,000	\$ 925,000
2014 General Obligation- Refunding	400,000	-	400,000	-	-
2015 Sales Tax Bond - Refunding	4,365,000	-	485,000	3,880,000	500,000
2021 General Obligation Refunding 2013 GO Bonds	8,444,000	-	107,000	8,337,000	109,000
Bond Premium	219,073	-	53,532	165,541	26,143
Other Liabilities					
Workers compensation claims	83,000	-	19,000	64,000	64,000
Compensated absences	285,357	518,019	200,297	603,079	185,686
Governmental activities					
Long-term liabilities	<u>\$ 15,221,430</u>	<u>\$ 518,019</u>	<u>\$ 1,764,829</u>	<u>\$ 13,974,620</u>	<u>\$ 1,809,829</u>

Below is a schedule of principal and interest payments for the general obligation and sales tax revenue bonds:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2022	\$ 1,534,000	\$ 335,360	\$ 1,869,360
2023	1,614,000	257,430	1,871,430
2024	1,659,000	223,517	1,882,517
2025	1,698,000	188,584	1,886,584
2026	1,746,000	152,798	1,898,798
2027-2030	4,891,000	197,890	5,088,890
Total	<u>\$ 13,142,000</u>	<u>\$ 1,355,579</u>	<u>\$ 14,497,579</u>

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The private placement individual bond issues are as follows:

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>
General obligation bonds	\$ 9,080,000	3.00-4.25%	March 15, 2023	\$ 925,000
Series 2013- Refunding				
General obligation bonds	5,560,000	2.00-3.00%	March 15, 2022	-
Series 2014- Refunding				
Sales Tax Bond - Refunding	7,035,000	2.00-4.00%	March 15, 2029	3,880,000
Series 2015				
General obligation bonds -	8,544,000	1.680-2.080%	March 15, 2030	8,337,000
Series 2021 - Refunding 2013 GO				

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property (\$106,510,036). At June 30, 2022, the long term bonded debt balance was well below the legal limit of \$35,278,513. The bond payments are made by the debt service fund.

The compensated absences liability that is attributable to the governmental activities is liquidated primarily by the general fund.

Pledged Revenues: The School Board has pledged and dedicated the net revenues of the special one percent (1%) sales and use tax now being levied and collected by the School Board, pursuant to Article VI, Section 29 of the Louisiana Constitution of 1974, and other constitutional and statutory authority, and in compliance with the election held therein on November 2, 2004. Proceeds from the bond provided for acquiring, constructing, maintaining, improving and/or renovating school buildings and facilities, including furniture, fixtures and equipment. The School Board has a balance of \$1,281,185 in the 2015 Sales Tax Revenue debt service fund for payment of the bond. Total principal and interest remaining to be paid on the bond is \$3,880,000 and \$738,578, respectively. For the year ended June 30, 2022 the School Board received \$775,134 from the collection of the incremental sales tax and paid \$485,000 in bond principal and \$148,750 in debt service interest. The annual required principal and interest payments are estimated to be 82% of the tax revenue over the next 10 years.

Defeasance of Debt: The School Board defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. At June 30, 2022, \$8,580,000 of defeased bonds remain outstanding. These bonds will be called on March 15, 2023.

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**NOTE 11 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)**

The interfund receivables and payables at June 30, 2022 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Title I	\$ 358,181
	School Food Services	81,811
	ESSERF II	570,315
	ESSERF III	785,775
	Debt Service	-
	Nonmajor Governmental	<u>1,539,150</u>
		<u>3,335,232</u>
Title I	General Fund	168,334
School Food Services	General Fund	44,921
Debt Service	General Fund	30,283
Nonmajor Governmental	General Fund	<u>200,878</u>
		444,416
Total		<u>\$ 3,779,648</u>

The transfers ins and outs for the year ended June 30, 2022 are as follows:

<u>Transfers In</u>	<u>Transfer Outs</u>	
General Fund	Nonmajor Governmental	<u>\$ 10,100</u>

**NOTE 12 - LITIGATION AND CONTINGENCIES**

**Litigation** At June 30, 2022, the School Board was involved in various litigations. It is the opinion of legal counsel for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

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

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

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**NOTE 13 - RISK MANAGEMENT** The School Board initiated a risk management program for workers' compensation in 1992. An excess insurance policy covers individual claims in excess of \$250,000.

Changes in the claims amount for the current and two prior fiscal years are as follows:

Fiscal Year Ended	Beginning of fiscal year liability	Claims and changes in estimates	Benefit payments and claims	Ending of Fiscal year liability
2019-2020	145,000	44,824	47,505	142,319
2020-2021	142,319		59,319	83,000
2021-2022	83,000		19,000	64,000

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The liability for unpaid claims is based on information provided by the third party administrator.

**NOTE 14 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES** On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$1,516. This amount was recognized as state revenue with a corresponding expenditure in the applicable fund from which the salary was paid.

The Parish Tax Collector makes retirement remittances to the Teachers' Retirement System of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teachers' retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Tax Collector's Office. For 2021, the Tax Collector paid the Teachers' Retirement System of Louisiana \$119,555. This amount was recognized as ad valorem revenue and a reduction in the School Board's required contribution to the TRSL pension plan.

**NOTE 15 - ECONOMIC DEPENDENCY** The Minimum Foundation Funding provided by the state to all public school systems in Louisiana is based on several factors. The State provided \$8,332,908 to the School Board, which represents approximately 29% of the School Board's total revenue for the year.

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**NOTE 16 - FUND BALANCE CLASSIFICATIONS**

	General	Title I	SFS	ESSERF II	ESSERF III	Debt Service	Nonmajor Govern-mental	Total
Non spendable:								
Inventory	\$ -	\$ -	\$ 13,616	\$ -	\$ -	\$ -	\$ -	\$ 13,616
Prepaid items	203,887	-	-	-	-	-	-	203,887
Restricted for:								
Salaries	334,525	-	-	-	-	-	-	334,525
Debt service	-	-	-	-	-	1,472,025	-	1,472,025
Capital projects	-	-	-	-	-	-	6	6
School food service	-	-	1,326,472	-	-	-	-	1,326,472
Sales Tax Maintenance	-	-	-	-	-	-	194,211	194,211
Student activity funds	-	-	-	-	-	-	64,738	64,738
Committed to:								
JAG	-	-	-	-	-	-	2,596	2,596
LA 4	-	-	-	-	-	-	147,511	147,511
8G Early Childhood	-	-	-	-	-	-	8,960	8,960
Health programs	-	-	-	-	-	-	28,360	28,360
Comprehensive Literacy	-	-	-	-	-	-	1,382	1,382
Unassigned	3,701,952	-	-	-	-	-	-	3,701,952
Total	<u>\$ 4,240,364</u>	<u>\$ -</u>	<u>\$ 1,340,088</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,472,025</u>	<u>\$ 447,764</u>	<u>\$ 7,500,241</u>

**NOTE 17 - NEW GASB STANDARD** In the current fiscal year the School Board implemented GASB Statement No. 87 – Leases. The principal objective of this statement is to improve accounting and financial reporting for leases by governments. It increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The adoption of this standard had no impact on the School Board’s financial statements or notes to the financial statements.

**NOTE 18 - EXCESS EXPENDITURES OVER APPROPRIATIONS** During the year ended June 30, 2022, the following major general fund and special revenue funds had unfavorable budget variances:

The General Fund’s actual expenditures of \$10,676,218 exceeded the budgeted expenditures of \$10,446,186 resulting in an unfavorable variance of \$230,032.

The ESSERF II’s actual expenditures of \$4,009,700 exceeded the budgeted expenditures of \$3,430,500 resulting in an unfavorable variance of \$579,200.

The ESSERF III’s actual expenditures of \$2,324,305 exceeded the budgeted expenditures of \$1,457,186, resulting in an unfavorable variance of \$867,119.

**Madison Parish School Board  
Notes to the Basic Financial Statements  
June 30, 2022**

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**REQUIRED SUPPLEMENTARY INFORMATION**

**Madison Parish School Board**

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

**Exhibit 1**

<b>Total OPEB Liability</b>	2018	2019	2020	2021	2022
Service costs	\$ 819,092	\$ 850,873	\$ 850,873	\$ 948,433	\$ 948,433
Interest	901,052	929,912	875,677	551,063	534,590
Differences between expected and actual experience	-	-	(3,237,020)	(570,149)	2,394,971
Assumption changes	-	235,476	2,261,378	(207,461)	(4,562,553)
Benefit payments	<u>(1,035,941)</u>	<u>(980,241)</u>	<u>(947,209)</u>	<u>(918,488)</u>	<u>(896,184)</u>
Net change in total OPEB liability	684,203	1,036,020	(196,301)	(196,602)	(1,580,743)
Total OPEB liability - Beginning	<u>22,921,861</u>	<u>23,606,064</u>	<u>24,642,084</u>	<u>24,445,783</u>	<u>24,249,181</u>
Total OPEB liability - Ending	<u>\$ 23,606,064</u>	<u>\$ 24,642,084</u>	<u>\$ 24,445,783</u>	<u>\$ 24,249,181</u>	<u>\$ 22,668,438</u>
Covered payroll	3,885,258	3,885,258	3,573,064	3,573,064	3,996,484
Total OPEB liability as a percentage of covered employee payroll	607.58%	634.25%	684.17%	678.67%	567.21%

**Changes of Assumptions**

Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period. The following is the discount rate used:

2018	3.88%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%

**Notes:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

No assets are accumulated in a trust that meet the criteria in GASB 75, paragraph 4, to pay related benefits.



**Madison Parish School Board**

**Schedule of Employer's Proportionate Share of the Net Pension Liability  
For Fiscal Year Ended June 30, 2022**

**Exhibit 2-1**

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
<b>Louisiana School Employees' Retirement System</b>					
2015	\$ 271,964	\$ 271,964	\$ -	\$ 824,133	33.0%
2016	199,990	199,990	-	648,185	30.9%
2017	151,609	151,609	-	506,555	29.9%
2018	170,642	170,642	-	628,327	27.2%
2019	169,850	169,850	-	606,607	28.0%
2020	170,642	170,642	-	580,415	29.4%
2021	189,381	189,381	-	660,939	28.7%
2022	224,134	224,134	-	772,475	29.0%
<b>Teachers' Retirement System of Louisiana</b>					
2015	\$ 2,475,758	\$ 2,475,758	\$ -	\$ 9,140,137	27.1%
2016	2,054,589	2,054,589	-	7,392,466	27.8%
2017	1,723,591	1,723,591	-	6,187,541	27.9%
2018	1,686,317	1,686,317	-	6,029,551	28.0%
2019	1,687,649	1,687,649	-	6,320,783	26.7%
2020	1,800,512	1,800,512	-	6,925,045	26.0%
2021	1,894,624	1,894,624	-	7,343,502	25.8%
2022	2,213,800	2,213,800	-	8,784,921	25.2%

**Notes:**

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

\* See notes to required supplementary information and independent auditor's report.

**Madison Parish School Board**

**Schedule of Employer Contributions to Pension Plans  
For Fiscal Year Ended June 30, 2022**

**Exhibit 2-2**

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
Louisiana School Employees' Retirement System					
2015	\$ 271,964	\$ 271,964	\$ -	\$ 824,133	33.0%
2016	199,990	199,990	-	648,185	30.9%
2017	151,609	151,609	-	506,555	29.9%
2018	170,642	170,642	-	628,327	27.2%
2019	169,850	169,850	-	606,607	28.0%
2020	170,642	170,642	-	580,415	29.4%
2021	189,381	189,381	-	660,939	28.7%
2022	224,134	224,134	-	772,475	29.0%
Teachers' Retirement System of Louisiana					
2015	\$ 2,475,758	\$ 2,475,758	\$ -	\$ 9,140,137	27.1%
2016	2,054,589	2,054,589	-	7,392,466	27.8%
2017	1,723,591	1,723,591	-	6,187,541	27.9%
2018	1,686,317	1,686,317	-	6,029,551	28.0%
2019	1,687,649	1,687,649	-	6,320,783	26.7%
2020	1,800,512	1,800,512	-	6,925,045	26.0%
2021	1,894,624	1,894,624	-	7,343,502	25.8%
2022	2,213,800	2,213,800	-	8,784,921	25.2%

\* See notes to required supplementary information and independent auditor's report.

## Madison Parish School Board

### Notes to Required Supplementary Information for Pensions For Fiscal Year Ended June 30, 2022

#### Louisiana School Employees' Retirement System

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Changes in assumptions: For amounts reported for 2016, the valuation investment rate of return was reduced from the 7.25% reported in 2015 to 7.00%. The reduction was made to account for the funding of administrative expenses out of investment earnings. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses.

For amounts reported for 2017, based on Act 94 of the 2016 Regular Session of the Legislature, the explicit cost of projected noninvestment related administrative expense were included in the calculation of the actuarially required contribution for the plan. With this change, the valuation of plan liabilities based on valuation interest rate set for 0.25% below the assumed long-term rate of return was reduced from 7.25% to 7.125%, and the valuation interest rate was set equal to the long-term rate of return.

For amounts reported for 2018, the actuarial assumptions were reset based on a plan experience study performed in 2018 using plan data for the period July 1, 2012, through June 30, 2017. The June 30, 2018, actuarial valuation reflects the following changes to actuarial methodologies and assumptions:

- As a result of the experience study, the LSERS Board of Trustees approved a reduction in the discount rate to 7.0% over the next two years. As a result, the discount rate decreased from 7.125% as of June 30, 2017 valuation, to 7.0625% as of June 30, 2018.
- The inflation rate decreased from 2.625% annum as of June 30, 2017, to 2.50% annum as of June 30, 2018.
- The mortality assumption was updated to reflect the results of the new experience study and was based on the RP-2014 Healthy Annuitant, Sex Distinct Employee, and Sex Distinct Disabled Lives mortality tables with generational projections using the full generational scale MP2017. The previous valuation set mortality from the RP-2000 Combined Healthy Sex Distinct and Disabled Lives mortality tables with no projection scale.
- The salary increase assumption was updated to 3.25% as of June 30, 2018, to reflect the results of the new experience study and change to the inflation rate. The previous valuation included a range of 3.075% to 5.375%.

For amounts reported for the 2020 measurement date:

- The discount rate remained constant from 7.0% as of June 30, 2018 valuation, to 7.0% as of June 30, 2019.

#### Teachers' Retirement System of Louisiana

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after January 1, 2011.

Changes in assumptions: Amounts reported in 2017 and earlier were valued using a discount rate of 7.75%. For 2018, the discount rate was decreased from 7.75% to 7.70%. For the 2018 actuarial valuation, the discount rate was reduced to 7.65%. For 2020, the discount rate was decreased from 7.55% to 7.45%.

Madison Parish School Board

**Budgetary Comparison Schedules**

**General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets**

**GENERAL FUND** The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

**TITLE I** Title I improves the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. It is designed primarily to provide instructional activities to educationally deprived children that reside in low-income areas who have been selected on the basis of a needs assessment. These services supplement, not supplant, those normally provided by state and local educational agencies.

**SCHOOL FOOD SERVICE** The school food service program provides nutritionally balanced, low-cost or free breakfast and lunch to children each school day.

**ESSERF II** This special revenue fund accounts for federal sources funded by the CARES Act and the American Rescue Plan Act to assist the School Board in meeting the challenges in providing educational services as a result of the COVID-19 pandemic.

**ESSERF III** This special revenue fund accounts for federal sources funded by the CARES Act and the American Rescue Plan Act to assist the School Board in meeting the challenges in providing educational services as a result of the COVID-19 pandemic.

MADISON PARISH SCHOOL BOARD

GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2022

Exhibit 3-1

	BUDGETED AMOUNTS		(BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,668,772	\$ 2,668,772	\$ 2,668,772	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	-	-	1,176,508	1,176,508
Sales and use	1,460,526	1,680,300	1,558,401	(121,899)
Interest earnings	-	-	2,416	2,416
Other	1,080,000	1,300,000	1,377,224	77,224
State sources:				
Equalization	7,050,050	7,500,000	7,947,540	447,540
Other	56,000	88,000	78,044	(9,956)
Federal sources	72,783	85,676	97,577	11,901
Transfers in	650,000	675,000	10,100	(664,900)
	<u>13,038,131</u>	<u>13,997,748</u>	<u>14,916,582</u>	<u>918,834</u>
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	4,598,432	4,684,575	4,741,783	(57,208)
Special programs	229,330	244,100	240,877	3,223
Other instructional programs	748,821	772,890	706,489	66,401
Support services:				
Student services	597,050	546,415	565,558	(19,143)
Instructional staff support	333,908	387,611	418,828	(31,217)
General administration	576,455	789,870	908,503	(118,633)
School administration	792,780	783,375	811,496	(28,121)
Business services	501,074	527,040	591,800	(64,760)
Plant services	291,384	370,310	439,204	(68,894)
Student transportation services	712,228	1,045,700	1,018,333	27,367
Central services	122,050	126,050	172,753	(46,703)
Food services	110,200	110,200	46,944	63,256
Community service programs	20,000	50	13,650	(13,600)
Transfers to other funds	75,000	58,000	-	58,000
	<u>9,708,712</u>	<u>10,446,186</u>	<u>10,676,218</u>	<u>(230,032)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 3,329,419</u>	<u>\$ 3,551,562</u>	<u>\$ 4,240,364</u>	<u>\$ 688,802</u>

MADISON PARISH SCHOOL BOARD

TITLE I  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2022

Exhibit 3-2

	BUDGETED AMOUNTS		(BUDGETARY BASIS)	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Federal sources	1,998,560	2,175,000	2,033,736	(141,264)
Amounts available for appropriations	1,998,560	2,175,000	2,033,736	(141,264)
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	200,636	199,200	178,599	20,601
Other instructional programs	880,010	900,500	814,335	86,165
Support services:				
Student services	185,541	188,700	203,906	(15,206)
Instructional staff support	542,439	550,230	561,362	(11,132)
General administration	-	-	189,099	(189,099)
Plant services	-	-	72	(72)
Student transportation services	2,647	2,200	1,919	281
Central services	80,733	85,700	84,444	1,256
Transfers out	247,900	248,470	-	248,470
Total charges to appropriations	2,139,906	2,175,000	2,033,736	141,264
BUDGETARY FUND BALANCES, ENDING	\$ (141,346)	\$ -	\$ -	\$ -

**MADISON PARISH SCHOOL BOARD**

**SCHOOL FOOD SERVICE  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2022**

Exhibit 3-3

	<u>BUDGETED AMOUNTS</u>		<u>(BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,011,180	\$ 1,011,180	\$ 1,011,180	\$ -
Resources (inflows)				
Local sources:				
Interest earnings	-	-	653	653
Food services	-	-	791	791
Other	2,110	75,000	85,999	10,999
State sources:				-
Equalization	73,651	45,000	14,965	(30,035)
Federal sources	1,385,260	1,540,250	1,354,679	(185,571)
Amounts available for appropriations	<u>2,582,201</u>	<u>2,671,430</u>	<u>2,468,267</u>	<u>(203,163)</u>
Charges to appropriations (outflows)				
Current:				
Food services	<u>1,120,754</u>	<u>1,135,490</u>	<u>1,128,179</u>	<u>7,311</u>
Total charges to appropriations	<u>1,120,754</u>	<u>1,135,490</u>	<u>1,128,179</u>	<u>7,311</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,461,447</u>	<u>\$ 1,535,940</u>	<u>\$ 1,340,088</u>	<u>\$ (195,852)</u>

\* SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION AND INDEPENDENT AUDITOR'S REPORT.

**MADISON PARISH SCHOOL BOARD**

**ESSERF II  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2022**

Exhibit 3-4

	<b>BUDGETED AMOUNTS</b>		<b>(BUDGETARY BASIS)</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
BUDGETARY FUND BALANCES, BEGINNING	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Federal sources	-	3,430,500	4,009,700	579,200
Amounts available for appropriations	-	3,430,500	4,009,700	579,200
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	-	754,000	997,891	(243,891)
Other instructional programs	-	1,416,800	1,311,256	105,544
Support services:				
Student services	-	43,000	47,120	(4,120)
Instructional staff support	-	651,500	698,405	(46,905)
General administration	-	-	771,125	(771,125)
School administration	-	74,600	89,328	(14,728)
Business services	-	-	-	-
Plant services	-	83,100	86,033	(2,933)
Student transportation services	-	8,000	8,542	(542)
Transfers to other funds	-	399,500	-	399,500
Total charges to appropriations	-	3,430,500	4,009,700	(579,200)
BUDGETARY FUND BALANCES, ENDING	\$ -	\$ -	\$ -	\$ -

\* SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION AND INDEPENDENT AUDITOR'S REPORT.



**MADISON PARISH SCHOOL BOARD**

**ESSERF III  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2022**

**Exhibit 3-5**

	<u>BUDGETED AMOUNTS</u>		<u>(BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Federal sources	-	1,457,186	2,324,305	867,119
Amounts available for appropriations	-	1,457,186	2,324,305	867,119
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	-	486,225	237,107	249,118
Special programs	-	12,116	12,106	10
Other instructional programs	-	305,945	685,126	(379,181)
Support services:				
Student services	-	459,800	149,470	310,330
Instructional staff support	-	52,500	916,245	(863,745)
General administration	-	140,600	324,251	(183,651)
Total charges to appropriations	-	1,457,186	2,324,305	(867,119)
BUDGETARY FUND BALANCES, ENDING	\$ -	\$ -	\$ -	\$ -

\* SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION AND INDEPENDENT AUDITOR'S REPORT.

**Madison Parish School Board  
Notes to the Budgetary Comparison Schedules  
For the Year Ended June 30, 2022**

**A. BUDGETS**

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

Although there were no formal budget amendments approved by the School Board during the fiscal year, the Board has authorized the grant supervisors/administration to submit budget amendments to the State during the year as needed for cost reimbursement grants.

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

**Transfers to Charter Schools** The School Board is required to report State Equalization revenue, and a corresponding expenditure for amounts withheld from State Equalization Funding to be sent to applicable charter schools.

**B. EXCESS OF ACTUAL EXPENDITURES OVER BUDGETED APPROPRIATION**

The following individual fund had actual expenditures over budgeted expenditures for the year ended June 30, 2022:

<b>Fund</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
General Fund	\$10,446,186	\$10,676,218	(\$230,032)
ESSERF II	\$3,430,500	\$4,009,700	(\$579,200)
ESSERF III	\$1,457,186	\$2,324,305	(\$867,119)

**MADISON PARISH SCHOOL BOARD**

**Notes to the Budgetary Comparison Schedule  
For the Year Ended June 30, 2022**

**Note B- Budget to GAAP Reconciliation -  
Explanation of differences between  
budgetary inflows and outflows and  
GAAP revenues and  
expenditures**

	<u>GENERAL FUND</u>	<u>TITLE I</u>	<u>SCHOOL FOOD SERVICE</u>	<u>ESSERF II</u>	<u>ESSERF III</u>
<u>Sources/inflows of resources:</u>					
Actual amounts (budgetary basis) "available for appropriation": from the Budgetary Comparison Schedule.	\$ 14,916,582	\$ 2,033,736	\$ 2,468,267	\$ 4,009,700	\$ 2,324,305
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(2,668,772)	-	(1,011,180)	-	-
Transfers in from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(10,100)	-	-	-	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>12,237,710</u>	<u>2,033,736</u>	<u>1,457,087</u>	<u>4,009,700</u>	<u>2,324,305</u>
<u>Charges to appropriations (outflows):</u>					
Actual amounts (budgetary basis) "charges to appropriations" from the Budgetary Comparison Schedule/.	10,676,218	2,033,736	1,128,179	4,009,700	2,324,305
Transfers to other funds are outflows of budgetary resources	-	-	-	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	<u>\$ 10,676,218</u>	<u>\$ 2,033,736</u>	<u>\$ 1,128,179</u>	<u>\$ 4,009,700</u>	<u>\$ 2,324,305</u>

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**SUPPLEMENTARY INFORMATION**

**MADISON PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2022**

Exhibit 4

	<b>SPECIAL REVENUE</b>	<b>CAPITAL PROJECT</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,390,808	\$ 6	\$ 1,390,814
Receivables	957,881	-	957,881
Interfund receivables	200,878	-	200,878
<b>TOTAL ASSETS</b>	<b>2,549,567</b>	<b>6</b>	<b>2,549,573</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts, salaries and other payables	538,207	-	538,207
Interfund payables	1,539,150	-	1,539,150
Unearned revenue	24,452	-	24,452
<b>TOTAL LIABILITIES</b>	<b>2,101,809</b>	<b>-</b>	<b>2,101,809</b>
Fund balances:			
Nonspendable	-	-	-
Restricted	258,949	6	258,955
Committed	188,809	-	188,809
Unassigned	-	-	-
<b>Total fund balances</b>	<b>447,758</b>	<b>6</b>	<b>447,764</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,549,567</b>	<b>\$ 6</b>	<b>\$ 2,549,573</b>

\* SEE INDEPENDENT AUDITOR'S REPORT.

**MADISON PARISH SCHOOL BOARD**

**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - By Fund Type**  
**For the Year Ended June 30, 2022**

Exhibit 5

	<b>SPECIAL REVENUE</b>	<b>CAPITAL PROJECT</b>	<b>TOTAL</b>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Sales and use	\$ 775,134	\$ -	\$ 775,134
Interest earnings	207	-	207
Other	439,054	-	439,054
State sources:			
Other	292,359	-	292,359
Federal sources	1,954,420	-	1,954,420
	<b>3,461,174</b>	<b>-</b>	<b>3,461,174</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	624,058	-	624,058
Special programs	126,883	-	126,883
Other instructional programs	957,016	-	957,016
Support Services:			
Student services	295,017	-	295,017
Instructional staff support	689,335	-	689,335
General administration	136,609	-	136,609
School administration	-	-	-
Business services	78,925	-	78,925
Plant services	542,782	-	542,782
Student transportation services	210,540	-	210,540
Central services	39,492	-	39,492
	<b>3,700,657</b>	<b>-</b>	<b>3,700,657</b>
<b>EXCESS (Deficiency) OF REVENUES   OVER EXPENDITURES</b>	<b>(239,483)</b>	<b>-</b>	<b>(239,483)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	(10,100)	-	(10,100)
	<b>(10,100)</b>	<b>-</b>	<b>(10,100)</b>
<b>Net Change in Fund Balances</b>	<b>(249,583)</b>	<b>-</b>	<b>(249,583)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>697,341</b>	<b>6</b>	<b>697,347</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 447,758</b>	<b>\$ 6</b>	<b>\$ 447,764</b>

\* SEE INDEPENDENT AUDITOR'S REPORT.

**Madison Parish School Board  
Nonmajor Special Revenue Funds**

**TITLE II** To improve the skills of teachers and the quality of instruction in the mathematics and sciences, and to increase the accessibility of such instruction to all students.

**PRESCHOOL** These grants to states assist in providing a free, appropriate public education to preschool disabled children aged three through five years.

**IDEA** These grants to states assist in providing a free appropriate public education to all children with disabilities.

**VOCATIONAL EDUCATION** The purpose of these grants is to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

**RURAL EDUCATION ACHIEVEMENT PROGRAM (REAP)** To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning.

**JOBS FOR AMERICA'S GRADUATES (JAG)** A school to career program to keep young people in school through graduation and provide work based learning experiences.

**LA4** This fund accounts for the preschool program funded by state and federal funds.

**EDUCATIONAL EXCELLENCE** This fund accounts for monies received from the state education excellence fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

**8G EARLY CHILDHOOD** To provide high quality early childhood educational experiences to four year old children who are considered to be at risk of achieving later academic success.

**21<sup>ST</sup> CENTURY GRANT** Accounts for Federal Funds received to support the erection of community learning centers to provide academic enrichment opportunities during non-school hours for children, particularly students who attend higher-poverty and low performing schools.

**HEALTH PROGRAMS** This fund accounts for the money received for the school based health program.

**SCHOOL IMPROVEMENT** To dramatically turn around the academic achievement of students in the Nation's persistently lowest-achieving schools.

**TEACHER INCENTIVE** To support programs that develop and implement performance-based compensation systems for teachers in high need schools.

**STRIVING READERS** Accounts for Federal Funds received to advance literacy skills, including pre-literacy skills, reading and writing for students from birth through 12<sup>th</sup> grade, including limited English proficient students and students with disabilities.



**SCHOOL REDESIGN** Accounts for Federal Funds received to support implementation of plans to improve struggling schools.

**SALES TAX MAINTENANCE** The maintenance fund accounts for the ad valorem tax levied for maintenance and operations and the related expenditures.

**CARES (ESSERF)** This program is funded by the CARES Act to assist the School District in meeting the challenges in providing educational services as a result of the COVID-19 pandemic.

**STRONG START-INCENTIVE** This program is funded by the CARES Act to support key Strong Start 2020 Planning Priorities.

**GEER (Governor’s Emergency Education Relief Fund)** This program is funded by the CARES Act to assist the School District with investments in internet devices and connectivity.

**STUDENT ACTIVITY FUNDS** The activities of the various individual school accounts are accounted for in the school activity funds. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

**COMPREHENSIVE LITERACY STATE DEVELOPMENT (CSLD) FUND** The purpose of CSLD discretionary grants is to create a comprehensive literacy program to advance literacy skills, including pre-literacy skills, reading, and writing, for children from birth through grade 12, with an emphasis on disadvantaged children.

**MISCELLANEOUS FUNDS** This fund accounts for various small local, state, and federal grants.

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2022

	TITLE II	PRESCHOOL	IDEA	VOCATIONAL EDUCATION	REAP
<b>ASSETS</b>					
Cash and cash equivalents	\$ 9,373	\$ 11,582	\$ -	\$ 6,578	\$ 2,553
Receivables	-	1,384	133,282	-	-
Interfund receivables	15,315	-	51,571	-	-
<b>TOTAL ASSETS</b>	<b>24,688</b>	<b>12,966</b>	<b>184,853</b>	<b>6,578</b>	<b>2,553</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts, salaries and other payables	5,047	1,626	51,379	-	1,906
Interfund payables	12,438	11,340	133,474	6,578	647
Unearned revenue	7,203	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>24,688</b>	<b>12,966</b>	<b>184,853</b>	<b>6,578</b>	<b>2,553</b>
Fund balances:					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 24,688</b>	<b>\$ 12,966</b>	<b>\$ 184,853</b>	<b>\$ 6,578</b>	<b>\$ 2,553</b>

\* SEE INDEPENDENT AUDITOR'S REPORT.

Exhibit 6

	JAG	LA 4	EDUCATIONAL EXCELLENCE	8G EARLY CHILDHOOD	21st CENTURY GRANT	HEALTH PROGRAMS	SCHOOL IMPROVEMENT
\$	99,171	\$ 374,087	\$ 7,164	\$ -	\$ 81,693	\$ 160,531	\$ 36,512
	64,355	39,388	-	81,369	136,278	35,509	-
	7,442	-	56,398	-	7,107	80	30,160
	<u>170,968</u>	<u>413,475</u>	<u>63,562</u>	<u>81,369</u>	<u>225,078</u>	<u>196,120</u>	<u>66,672</u>
	6,734	9,602	7,164	2,497	222,297	14,376	-
	161,638	256,362	56,398	69,912	2,781	153,384	66,672
	-	-	-	-	-	-	-
	<u>168,372</u>	<u>265,964</u>	<u>63,562</u>	<u>72,409</u>	<u>225,078</u>	<u>167,760</u>	<u>66,672</u>
	-	-	-	-	-	-	-
	2,596	147,511	-	8,960	-	28,360	-
	-	-	-	-	-	-	-
	<u>2,596</u>	<u>147,511</u>	<u>-</u>	<u>8,960</u>	<u>-</u>	<u>28,360</u>	<u>-</u>
\$	<u>170,968</u>	<u>413,475</u>	<u>63,562</u>	<u>81,369</u>	<u>225,078</u>	<u>196,120</u>	<u>66,672</u>

(Continued)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2022

	TEACHER INCENTIVE	STRIVING READERS	SCHOOL REDESIGN	SALES TAX MAINTENANCE FUND	CARES (ESSERF)
<b>ASSETS</b>					
Cash and cash equivalents	\$ 54,133	\$ 62,920	\$ -	\$ 175,165	\$ 83,655
Receivables	173,239	13,191	62,106	119,271	69,467
Interfund receivables	13,142	2,870	-	8,288	-
<b>TOTAL ASSETS</b>	<b>240,514</b>	<b>78,981</b>	<b>62,106</b>	<b>302,724</b>	<b>153,122</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts, salaries and other payables	36,167	-	3,088	59,821	25,925
Interfund payables	204,347	73,281	59,018	48,692	127,197
Unearned revenue	-	5,700	-	-	-
<b>TOTAL LIABILITIES</b>	<b>240,514</b>	<b>78,981</b>	<b>62,106</b>	<b>108,513</b>	<b>153,122</b>
Fund balances:					
Restricted	-	-	-	194,211	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>194,211</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 240,514</b>	<b>\$ 78,981</b>	<b>\$ 62,106</b>	<b>\$ 302,724</b>	<b>\$ 153,122</b>

\* SEE INDEPENDENT AUDITOR'S REPORT.

Exhibit 6

<b>STRONG START</b>	<b>GEER</b>	<b>STUDENT ACTIVITY FUNDS</b>	<b>COMPREHENSIVE LITERACY STATE DEVELOPMENT</b>	<b>MISC FUNDS</b>	<b>TOTAL</b>
\$ 11,624	\$ 466	\$ 64,738	\$ 5,531	\$ 143,332	\$ 1,390,808
-	428	-	9,558	19,056	957,881
-	-	-	-	8,505	200,878
<u>11,624</u>	<u>894</u>	<u>64,738</u>	<u>15,089</u>	<u>170,893</u>	<u>2,549,567</u>
-	-	-	-	90,578	538,207
5,606	894	-	8,176	80,315	1,539,150
6,018	-	-	5,531	-	24,452
<u>11,624</u>	<u>894</u>	<u>-</u>	<u>13,707</u>	<u>170,893</u>	<u>2,101,809</u>
-	-	64,738	-	-	258,949
-	-	-	1,382	-	188,809
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>64,738</u>	<u>1,382</u>	<u>-</u>	<u>447,758</u>
<u>\$ 11,624</u>	<u>\$ 894</u>	<u>\$ 64,738</u>	<u>\$ 15,089</u>	<u>\$ 170,893</u>	<u>\$ 2,549,567</u>

(CONCLUDED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2022

	TITLE II	PRESCHOOL	IDEA	VOCATIONAL EDUCATION	REAP
<b>REVENUES</b>					
Local sources:					
Taxes:					
Sales and use	\$ -	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-	-
Food services	-	-	-	-	-
Other	-	-	-	-	-
State sources:					
Equalization	-	-	-	-	-
Other	-	-	-	-	-
Federal sources	4,658	16,434	408,236	21,255	19,052
<b>TOTAL REVENUES</b>	<b>4,658</b>	<b>16,434</b>	<b>408,236</b>	<b>21,255</b>	<b>19,052</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	-	-	-	203	-
Special programs	-	8,288	110,909	-	-
Other instructional programs	1,456	-	33,114	21,052	-
Support Services:					
Student services	-	6,783	98,747	-	-
Instructional staff support	-	1,178	153,299	-	18,097
General administration	3,202	185	10,444	-	955
School administration	-	-	-	-	-
Business services	-	-	-	-	-
Plant services	-	-	1,723	-	-
Student transportation services	-	-	-	-	-
Central services	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>4,658</b>	<b>16,434</b>	<b>408,236</b>	<b>21,255</b>	<b>19,052</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES - BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\* SEE INDEPENDENT AUDITOR'S REPORT.

Exhibit 7

JAG	LA 4	EDUCATIONAL EXCELLENCE	8G EARLY CHILDHOOD	21st CENTURY GRANT	HEALTH PROGRAMS	SCHOOL IMPROVEMENT
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	228,458	-
-	-	-	-	-	-	-
-	183,200	39,492	60,176	-	-	-
17,010	-	-	-	723,740	-	-
17,010	183,200	39,492	60,176	723,740	228,458	-
72,126	4,083	-	-	-	-	-
-	-	-	-	-	677	-
-	98,799	-	51,216	437,645	-	-
-	-	-	-	-	189,366	-
1,300	11,055	-	-	233,649	2,752	-
-	-	-	-	37,043	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	15,403	-	-
-	-	39,492	-	-	-	-
73,426	113,937	39,492	51,216	723,740	192,795	-
(56,416)	69,263	-	8,960	-	35,663	-
-	-	-	-	-	-	-
-	(2,679)	-	-	-	-	-
(56,416)	66,584	-	8,960	-	35,663	-
59,012	80,927	-	-	-	(7,303)	-
\$ 2,596	\$ 147,511	\$ -	\$ 8,960	\$ -	\$ 28,360	\$ -

(CONTINUED)

MADISON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2022

	TEACHER INCENTIVE	STRIVING READERS	SCHOOL REDESIGN	SALES TAX MAINTENANCE FUND	CARES (ESSERF)
<b>REVENUES</b>					
Local sources:					
Taxes:					
Sales and use	\$ -	\$ -	\$ -	\$ 775,134	\$ -
Interest earnings	-	-	-	207	-
Food services	-	-	-	-	-
Other	-	-	-	13,566	-
State sources:					
Equalization	-	-	-	-	-
Other	-	-	-	-	-
Federal sources	452,582	13,191	128,734	-	44,368
<b>TOTAL REVENUES</b>	<b>452,582</b>	<b>13,191</b>	<b>128,734</b>	<b>788,907</b>	<b>44,368</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular programs	316,164	13,191	-	204,743	11,590
Special programs	-	-	-	-	-
Other instructional programs	24,407	-	5,375	6,815	20,969
Support Services:					
Student services	-	-	-	-	-
Instructional staff support	112,011	-	113,931	-	-
General administration	-	-	9,428	62,377	9,429
School administration	-	-	-	-	-
Business services	-	-	-	78,925	-
Plant services	-	-	-	538,679	2,380
Student transportation services	-	-	-	195,137	-
Central services	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>452,582</b>	<b>13,191</b>	<b>128,734</b>	<b>1,086,676</b>	<b>44,368</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(297,769)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(297,769)</b>	<b>-</b>
<b>FUND BALANCES - BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>491,980</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 194,211</b>	<b>\$ -</b>

\* SEE INDEPENDENT AUDITOR'S REPORT.



Exhibit 7

STRONG START	GEER	STUDENT ACTIVITY FUNDS	COMPREHENSIVE LITERACY STATE DEVELOPMENT	MISCELLANEOUS FUNDS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 775,134
-	-	-	-	-	207
-	-	-	-	-	-
-	-	197,030	-	-	439,054
-	-	-	-	-	-
-	-	-	-	9,491	292,359
-	-	-	17,454	87,706	1,954,420
-	-	197,030	17,454	97,197	3,461,174
-	-	-	-	1,958	624,058
-	-	-	7,009	-	126,883
-	-	205,543	-	50,625	957,016
-	-	-	-	121	295,017
-	-	-	9,063	33,000	689,335
-	-	-	-	3,546	136,609
-	-	-	-	-	-
-	-	-	-	-	78,925
-	-	-	-	-	542,782
-	-	-	-	-	210,540
-	-	-	-	-	39,492
-	-	205,543	16,072	89,250	3,700,657
-	-	(8,513)	1,382	7,947	(239,483)
-	-	-	-	-	-
-	-	-	-	(7,421)	(10,100)
-	-	-	-	(7,421)	(10,100)
-	-	(8,513)	1,382	526	(249,583)
-	-	73,251	-	(526)	697,341
\$ -	\$ -	\$ 64,738	\$ 1,382	\$ -	\$ 447,758

(CONCLUDED)

MADISON PARISH SCHOOL BOARD

STUDENT ACTIVITIES FUNDS BY SCHOOL  
Schedule of Changes in Fund Balances  
For the Year Ended June 30, 2022

Exhibit 8

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Madison High School	\$ 45,989	\$ 138,658	\$ 128,774	\$ 55,873
Tallulah Elementary School	1,960	26,240	27,042	1,158
Madison Middle School	24,090	11,042	30,323	4,809
Wright Elementary School	1,212	21,125	19,439	2,898
TOTALS	<u>\$ 73,251</u>	<u>\$ 197,065</u>	<u>\$ 205,578</u>	<u>\$ 64,738</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**Madison Parish School Board**

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

**Exhibit 9**

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month and the President receives an additional \$100 per month.

<u>Board Member</u>	<u>District #</u>	<u>Amount</u>
Jeffery Wilson	1	\$ 9,600
Mary Presley, Vice President - January 1, 2022 through June 30, 2022	2	9,600
Samuel Dixon, President - July 1, 2021 through December 31, 2021	3	10,200
Sharon R. Jackson, President - January 1, 2022 through June 30, 2022	4	10,200
Darrell Sims, Vice President - July 1, 2021 through December 31, 2021	5	9,600
Rev. O. W. Hamilton.	6	9,600
Lisa G. Johnson	7	9,600
Marguerite D. Hargrave	8	<u>9,600</u>
Total		<u><u>\$ 78,000</u></u>

**Madison Parish School Board**

**Schedule Of Compensation, Benefits And Other Payments To Agency Head (Superintendent)  
For the Year Ended June 30, 2022**

**Exhibit 10**

**Agency Head Name: Dr. Charles E. Butler, Superintendent**

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<u>Purpose</u>	<u>Amount</u>
Salary	\$ 95,852
Benefits-insurance	10,089
Benefits-retirement	19,135
Benefits-other (Medicare & Life Insurance)	1,721
Car Allowance	7,596
December Sales Tax Payment	7,200
MFP Pay	1,000
Covid Retainer	1,500
May Sales Tax Payment	4,900
<u>Total</u>	<u>\$ 148,993</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**SINGLE AUDIT AND OTHER INFORMATION**

# KOLDER, SLAVEN & COMPANY, LLC

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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*

To the Members of the  
Madison Parish School Board  
Tallulah, 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 Madison 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 March 10, 2023.

### Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

## **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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-002 and 2022-003.

## **Madison Parish School Board's Response to Findings**

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

## **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  
March 10, 2023

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Bryan K. Joubert, CPA  
Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

C. Burton Kolder, CPA\*  
Of Counsel

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

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

To the Members of the  
Madison Parish School Board  
Tallulah, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited the Madison 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 the major federal program 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 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all

deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
March 10, 2023

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

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	Activity <u>Number</u>	Pass-Through <u>Grantor No.</u>	<u>Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
Child Nutrition Cluster:			
Cash assistance:			
School Breakfast Program	10.553	N/A	\$ 426,113
National School Lunch Program	10.555	N/A	783,724
Summer Food Service Program	10.559	N/A	-
Passed through Louisiana Department of Agriculture & Forestry:			
Non-cash assistance:			
Food Distribution Program (commodities)	10.555	N/A	<u>53,326</u>
Total Child Nutrition Cluster			1,263,163
Passed through Louisiana Department of Agriculture & Forestry:			
Child and Adult Care Food Program	10.558	N/A	<u>91,516</u>
Total United States Department of Agriculture			<u>1,354,679</u>
United States Department of Education			
Passed through National Institute for Excellence in Teaching			
Teacher Incentive Fund	84.374	N/A	452,582
Passed Through Louisiana Department of Education:			
Title I			
Title I Grants to Local Educational Agencies	84.010A	28-22-T1-33	2,033,736
Title I Grants to Local Educational Agencies	84.010A	28-18-RD18-33	128,734
Title I Grants to Local Educational Agencies	84.010A	28-22-DSS-33	<u>29,336</u>
Total Title I Grants to Local Educational Agencies			2,191,806
Education Stabilization Fund			
Education Stabilization Fund (ESF)	84.425A	28-21-REL2-33	39,008
ESSERF II Incentive	84.425D	28-20-ES21-33	44,368
ESSERF II Formula	84.425D	28-21-ES2F-33	4,009,700
ESSERF III EB Interventions	84.425U	28-21-ESEB-33	1,287,024
ESSERF III Incentive	84.425U	28-20-ES21-33	3,870
ESSERF III Formula	84.425U	28-21-ES2F-33	993,787
ESSERF III Homeless ARP	84.425U		<u>616</u>
Total Education Stabilization Fund			6,378,373
Special Education Cluster (IDEA):			
Special Education - Grants to States (IDEA, Part B)	84.027A	28-22-B1-33	365,880
	84.027	28-18-JP-33	-
	84.027		33,356
	84.027		9,000
Special Education - Preschool Grants (IDEA, Preschool)	84.173A	28-22-P1-33	<u>16,434</u>
			424,670
Carl Perkins - Secondary			
Career & Technical Education - Basic Grants to States	84.048A	28-22-02-33	21,255
21st Century Community Learning Centers			
LA Gear Up	84.287	28-19-2C-33	723,740
	84.334		5,427
Title IIA			
Supporting Effective Instruction State Grants	84.367A	28-21-50-33	4,658
Title V-B RLIS			
Rural Education	84.358B	28-22-RLIS-33	19,052
	84.358B		<u>24,884</u>
			43,936
Striving Readers/Comprehensive Literacy Program			
SRCL K-12CLSD B-5	84.371	28-18-SR05-33	13,191
CLSD B-5	84.371C		6,913
CLSD K-5	84.371C		5,116
CLSD 6-8	84.371C		280
CLSD 9-12	84.371C		<u>5,144</u>
			30,644
Title IVA SSAE			
Student Support and Academic Enrichment Program	84.424A	28-21-71-33	<u>52,944</u>
Total United States Department of Education			<u>10,330,035</u>
United States Department of Health and Human Services			
Passed through Louisiana Department of Education:			
Temporary Assistance for Need Families	93.558	28-19-36-33	17,010
United States Department of Defense Direct Program:			
Junior Reserve Officer Training Corps (JROTC)	12.UKN	N/A	<u>72,693</u>
TOTAL			<u>\$ 11,774,417</u>

\*SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.

**Madison Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2022**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Madison Parish School Board under programs of the federal government for the year ended June 30, 2022. The School Board reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the schedule. 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 Madison Parish School Board, it is not intended to and does not present the financial position, changes in net position or cash flows of Madison Parish School Board.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements. 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.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the School Board's basic financial statements as follows:

<u>Funds</u>	<u>Federal Sources</u>
Major Funds:	
General Fund	\$ 97,577
Title I	2,033,736
School Food Service	1,354,679
ESSERF II	4,009,700
ESSERF III	2,324,305
Nonmajor Special Revenue Funds:	
Title II	4,658
Preschool	16,434
IDEA	408,236
Vocational Education	21,255
REAP	19,052
JAG	17,010
21st Century Grant	723,740
Teacher Incentive	452,582
Striving Readers	13,191
School Redesign	128,734
CARES (ESSERF)	44,368
Comprehensive Literacy State Development	17,453
Miscellaneous Funds	87,707
Total	<u>\$ 11,774,417</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**Madison Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2022**

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**NOTE 7 - INDIRECT COST RATE** The School Board has elected not to use the 10- percent de minimis indirect cost rate allowed under the Uniform Guidance.

MADISON PAIRIS SCHOOL BOARD  
Tallulah, 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?   X   Yes        No  
Significant deficiencies identified?        Yes   X   None reported

Noncompliance material to financial statements noted?   X   Yes        No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?        Yes   X   No  
Significant deficiencies identified?        Yes   X   None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?        Yes   X   No

Major programs:

Assistance Listing Numbers

10.553, 10.555  
84.425

Name of Federal Program or Cluster

Child Nutrition Cluster  
Education Stabilization Fund – COVID 19

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

Auditee qualified as low-risk auditee?        Yes   X   No

MADISON PARISH SCHOOL BOARD  
Tallulah, Louisiana

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 –

2022-001

Financial Records/Reconciliations

Criteria:

Internal control is a process, effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The School Board's internal controls over financial records include those policies and procedures that pertain to the School Board's ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements.

Condition:

Several issues were identified through audit procedures: (1) the payroll clearing fund contained a significant volume of unreconciled interfund checks; (2) the general ledger system at the School Board had a high volume of uncleared outstanding items that required a significant amount of investigation and adjusting entries to resolve; (3) several of the School Board's grant funds were not timely monitored for overspending and/or submission of reimbursement requests.

Cause:

Limited staffing and experience did not permit the School Board to adequately prepare and/or review financial records.

Effect:

The School Board's controls contain a material weakness.

Recommendation:

The School Board should consider implementing additional controls and dedicate appropriate staffing resources to business operations to permit timely and accurate financial recordings and reconciliations.

*View of Responsible Officials: The bank accounts are reconciled thoroughly, and entries made on a monthly basis to assure a more accurate set of books. More monitoring and timely filing of State and Federal requisitions has been occurring during the fiscal year being audited.*

MADISON PARISH SCHOOL BOARD  
Tallulah, Louisiana

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

B. Compliance Findings –

2022-002                      General Obligation Bond Continuing Disclosure

Criteria:                      Bond continuing disclosure requirements.

Condition:                      The School Board did not make required continuing disclosures related to their outstanding bonds on the MSRB reporting website.

Cause:                              The School Board failed submit required continuing disclosures.

Effect:                              Continuing disclosure requirements were not met.

Recommendation:              The School Board should work with its bond counsel or other advisors to ensure the required disclosures are made.

*View of Responsible Officials: The School Board will engage our legal counsel to update and maintain the EMMA website to ensure compliance.*

2022-003                      Late Report Issuance

Criteria:                              R.S. 24:513 requires that audits be completed within six months of the close of the School Board’s fiscal year.

Condition:                              The School Board failed to submit its annual financial report to the Legislative Auditor’s Office by the statutory deadline.

Cause:                                      The overall condition of the School Board’s financial records prohibited the School Board’s CPA consultant from providing timely and accurate information to the School Board’s auditors.

Effect:                                      The School Board is not in compliance with R.S. 24:513.

Recommendation:                      The School Board should take the necessary steps to ensure that all financial records are accurate and made available to the School Board’s auditors well in advance of the statutory deadline to allow for timely completion of the audit.

*View of Responsible Officials: The School Board is working with our CPA to assist with a timely closing of the books and will work with our audit to complete the audit by the required deadline.*

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

No items to be reported.



Madison Parish School Board  
Tallulah, Louisiana

Summary Schedule of Prior Year Audit Findings  
Year Ended June 30, 2022

**Finding 2021-001:**     Financial Records/Reconciliations

*Condition:*                         Several issues were identified through audit procedures: (1) the payroll clearing fund contained a significant volume of unreconciled interfund checks; (2) the general ledger system at the School Board had a high volume of uncleared outstanding items that required a significant amount of investigation and adjusting entries to resolve; (3) several of the School Board's grant funds were not timely monitored for overspending and/or submission of reimbursement requests; (4) sales tax agency funds were transferred to another collection agency and were not properly recorded in the School Board's general ledger; (5) prior period adjustments were made to correct several of the issues identified.

*Recommendation:*                 The School Board should consider implementing additional controls and dedicate appropriate staffing resources to business operations to permit timely and accurate financial recordings and reconciliations.

*Current Status:*                    Partially resolved.

*Corrective Action Taken:*         *The bank accounts were reconciled thoroughly, and entries made on a monthly basis to assure a more accurate set of books. More monitoring and timely filing of State and Federal requisitions has been occurring during the fiscal year being audited. Item regarding the sales tax fund is a one-time event that is not a recurring item. The prior period adjustments are not expected to reoccur due to internal controls implemented.*

**Finding 2021-002:**     General Obligation Bond Continuing Discloser

*Condition:*                         The School Board did not make required continuing disclosures related to their outstanding bonds on the MSRB reporting website.

*Recommendation:*                 The School Board work with its bond counsel or other advisors to ensure the required disclosures are made.

*Current Status:*                    Not Resolved.

*Corrective Action Taken:*         *The School Board engaged our legal counsel to update and maintain the EMMA website to ensure compliance; however, due to delays in issuing accurate financial reports, the EMMA site was not updated timely.*

**Finding 2021-003:**     Late Report Issuance

*Condition:*                         The School Board failed to submit its annual financial report to the Legislative Auditor's Office by the statutory deadline.

*Recommendation:*                 The School Board should take the necessary steps to ensure that all financial records are accurate and made available to the School Board's auditors well

Madison Parish School Board  
Tallulah, Louisiana

Summary Schedule of Prior Year Audit Findings  
Year Ended June 30, 2022

in advance of the statutory deadline to allow for timely completion of the audit.

*Current Status:* Not Resolved.

*Corrective Action Taken:* *The School Board is working with our CPA to assist with a timely closing of the books and will work with our audit to complete the audit by the required deadline.*

**Finding 2021-004:** Preparation of Schedule of Expenditures of Federal Awards (SEFA)

*Condition:* The SEFA prepared by the School Board's personnel contained incorrect Assistance Listing Numbers and did not include all federal expenditures of the School Board.

*Recommendation:* In order for the SEFA to be prepared accurately and properly report the amounts expended for federal awards, a system of controls should be in existence that includes the review of Assistance Listing Numbers and expenditure amounts reported on the SEFA.

*Current Status:* Resolved.

**Board Members:**

District 6

*Rev. D. W. Hamilton*  
*President*

District 8

*Mrs. Marguerite Hargrave*  
*Vice-President*

District 1

*Mr. Jeff Wilson*

District 3

*Rev. Eddie Fountain*

District 5

*Ms. Paula Hamilton*

District 4

*Mrs. Kathy Gultery*

District 7

*Ms. Lisa Johnson*

District 2

*Ms. Shelly Crawford*



# Madison Parish School Board

Post Office Box 1620

Tallulah, Louisiana 71284-1620

(318) 574-3616

*Charlie E. Butler, Jr. Ed.D., Superintendent*

Madison Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit conducted by:  
Kolder, Slaven & Company, LLC  
200 S. Main Street  
Abbeville, LA 70510

Audit Period: Fiscal year ended June 30, 2022

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

## 2022-001 Financial Records/Reconciliations

**RECOMMENDATION:** The School System should consider implementing additional controls and dedicate appropriate staffing resources to business operations to permit timely and accurate financial recordings and reconciliations.

**CORRECTIVE ACTION PLAN:** The auditor identified three areas to be addressed as part of their finding. Items #1 and #2 are being addressed by having bank accounts reconciled thoroughly and entries made on a monthly basis to assure a more accurate set of books. Staff are using the sub codes of the general ledger accounts codes more frequently than past years that should result in a substantial improvement in the accuracy of the books. Both the unreconciled and voluminous number of outstanding items will decline to a reasonable level. Item #3 regarding more monitoring and timely filing of State and Federal requisitions has been occurring during the fiscal year being audited.

Expected completion date: June 2023

## 2022-002 General Obligation Bond Continuing Disclosure

**RECOMMENDATION:** The School Board should work with its bond counsel or other advisors to ensure the required disclosures are made.

**CORRECTIVE ACTION PLAN:** The School Board will follow the auditor's recommendation and engage our bond counsel to update and maintain the EMMA website to assure compliance with all the municipal securities reporting requirements.

Expected completion date: October 2023

2022-003 Late Report Issuance

RECOMMENDATION: The School Board should take the necessary steps to ensure that all financial records are accurate and made available to the School Board's auditors well in advance of the statutory deadline to allow for timely completion of the audit.

CORRECTIVE ACTION PLAN: The effort to close out the books for FYE June 30, 2023 is much further ahead of prior years and the accounting team is very confident that the annual financial report will be filed on time..

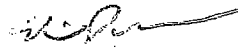
Expected completion date: December 2023

If there are questions regarding the plan, contact:

Elvin Parker, Business Manager  
Madison Parish School Board  
301 South Chestnut  
Tallulah, LA 71282  
Email: [elvin.parker@madisonpsb.org](mailto:elvin.parker@madisonpsb.org)

Telephone: 318-574-3616.

Sincerely,



Elvin Parker  
Business Manager

# KOLDER, SLAVEN & COMPANY, LLC

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C. Burton Kolder, CPA\*  
Of Counsel

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

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the  
Madison 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. Madison Parish School Board's (the School Board) management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated 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**

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- 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***

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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)***

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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)***

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- 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***

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- 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)***

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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](http://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***

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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***

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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***

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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***

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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***

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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***

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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***

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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:***

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

**Policies and Procedures:**

*The School Board does not have written policies and procedures addressing IT/Disaster Recovery/Business Continuity and Contracting.*

*The School Board's written policies and procedures addressing purchasing does not cover the documentation required to be maintained for all bids and price quotes.*

*The Board's written policies and procedures addressing ethics does not include the prohibitions as defined in Louisiana Revised Statute 42:1111-1121.*

**Board Minutes:**

*The Board meeting minutes did not reference or include 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.*

**Bank Reconciliations:**

*For one of the five accounts tested, the bank reconciliation was not prepared within two months of statement closing date.*

*For five of the five accounts tested, the bank reconciliation did not contain evidence of management review.*

*For three of the five accounts tested, the bank reconciliation did not include evidence of researching outstanding items greater than twelve months.*

**Cash Collections:**

*Eight of the eight deposits selected did not have receipts or support for the deposit slips.*

**Credit Cards:**

*There was a late fee assessed on one of the credit cards tested.*

**Sexual Harassment**

*The entity's report on sexual harassment did not include all required information.*

***Management's Response:***

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

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 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 School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
March 10, 2023

**Madison Parish School Board  
Notes to the Basic Financial Statements  
June 30, 2022**

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

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Madison 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 the Madison Parish School Board (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 the 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 purpose. This report may not be suitable for any other purpose. The procedures performed may not address all of 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 sample of 25 transactions and reviewed supporting documentation and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:

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

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 determined if 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 1<sup>st</sup> PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education 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 property classified on the PEP data or equivalent listing prepared by management.

There were four exceptions noted.

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

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

There were twenty-one 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, 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 School Board, as required by Louisiana Revised Statue 24:514, 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  
March 10, 2023

**MADISON PARISH SCHOOL BOARD**  
**Tallulah, 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 (Formerly Schedule 6) Class Size Characteristics**

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

MADISON PARISH SCHOOL BOARD  
Tallulah, 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	\$ 3,006,353	
Other instructional staff salaries	1,023,512	
Instructional staff employee benefits	1,163,969	
Purchased professional and technical services	55,714	
Instructional materials and supplies	130,075	
Instructional equipment	-	
Total teacher and student interaction activities		\$ 5,379,623

Other instructional activities:

Pupil support activities	754,325	
Less: Equipment for pupil support activities	-	
Net pupil support activities		754,325
Instructional staff services	417,873	
Less: Equipment for instructional staff services	-	
Net instructional staff services		417,873

School Administration

Less: Equipment for school administration	-	
Net school administration		810,978

Total general fund instructional expenditures \$ 7,518,830

Total general fund equipment expenditures (Object 730; Function series 1000-4000) \$ -

**Certain Local Revenue Sources**

Local taxation revenue:

Constitutional ad valorem taxes	\$ 473,908
Renewable ad valorem tax	609,853
Debt service ad valorem tax	1,197,400
Up to 1% of collections by the Sheriff on taxes other than school taxes	119,555
Sales and use taxes	3,883,803
Total local taxation revenue	<u>\$ 6,284,519</u>

Local earnings on investment in real property:

Earnings from 16th section property	\$ 34,114
Earnings from other real property	-
Total local earnings on investment in real property	<u>\$ 34,114</u>

State revenue in lieu of taxes:

Revenue sharing - constitutional tax	\$ 70,451
Revenue sharing - other taxes	-
Revenue sharing - excess portion	-
Other revenue in lieu of taxes	-
Total state revenue in lieu of taxes	<u>\$ 70,451</u>

Nonpublic textbook revenue \$ -

Nonpublic transportation revenue \$ -

MADISON PARISH SCHOOL BOARD  
Tallulah, 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	9%	3	79%	26	12%	4	0%	-
Elementary Activity Classes	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High	54%	46	29%	25	17%	15	0%	-
Middle/Jr. High Activity Classes	75%	3	25%	1	0%	-	0%	-
High	79%	138	15%	27	6%	10	0%	-
High Activity Classes	80%	24	13%	4	0%	-	7%	2.00
Combination	42%	45	49%	51	9%	9	0%	-
Combination Activity Classes	100%	6	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 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.