

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Annual Financial Report
As of and for the Year Ended June 30, 2021

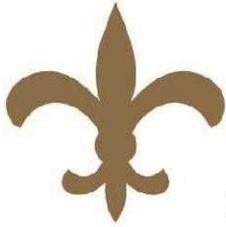
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J. Aaron Cooper, CPA, LLC

P.O. Box 918 • 106 West Nezpique Street • Jennings, Louisiana 70546

*Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants.
Recipient of Advanced Single Audit Certificate*

INDEPENDENT AUDITOR'S REPORT

Members of the
Tensas Parish School Board
St. Joseph, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a reasonable basis for my audit opinions.

Tensas Parish School Board

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Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Tensas Parish School Board as of June 30, 2021, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information. Accounting principles generally accepted in the United States of America require that certain budget, other post-retirement employee benefits information, and pension information (Exhibits 1-8) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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. I 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. The Tensas Parish School Board has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board also determined is necessary to supplement, although not required to be part of, the basic financial statements.

Other Information. My audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying combining and individual nonmajor fund schedules, the schedule of compensation paid to board members, and the schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Tensas Parish School Board. The 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.

The supplemental schedules are the responsibility of management and were derived and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated January 28, 2022, on my consideration of the Tensas Parish School Board's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "J. Aaron Cozart, CPA, LLC". The signature is written in a cursive style with a large initial "J".

St. Joseph, Louisiana

January 28, 2022

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Statement A

Statement of Net Position
June 30, 2021

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 2,247,066
Receivables	1,553,687
Inventory	7,437
Restricted assets:	
Investments	538,261
Capital assets (net of accumulated depreciation):	
Land	309,540
Buildings and improvements	2,166,241
Furniture and equipment	346,648
Construction in progress	30,270
	<hr/>
Total assets	7,199,150
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Retirement related deferrals	2,077,997
	<hr/>
LIABILITIES	
Accounts payable	78,618
Salaries and benefits payable	883,671
Unearned revenue	543,008
Interest payable	895
Long-term liabilities:	
Due within one year	1,408,990
Due in more than one year	18,578,996
Total liabilities	21,494,178
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Retirement related deferrals	2,371,823
	<hr/>
NET POSITION	
Net investment in capital assets	2,652,719
Restricted for:	
Debt service	4,345
Future salaries from sales tax proceeds	56,297
Capital improvements	3
School food service	253,709
Maintenance, books, instructional items, etc.	100,036
Grant programs	17,590
School activity funds	48,474
Unrestricted	(17,722,027)
	<hr/>
TOTAL NET POSITION	\$ (14,588,854)
	<hr/>

The accompanying notes are an integral part of this statement.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Statement B

Statement of Activities
For the Year Ended June 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Governmental
		Charges for Services	Operating Grants and Contributions	Activities - Net (Expense) Revenue and Changes in Net Assets
Governmental activities:				
Instruction:				
Regular programs	\$ 2,013,867	\$ -	\$ 249,619	\$ (1,764,248)
Special education programs	602,159	-	115,114	(487,045)
Vocational programs	23,648	-	6,295	(17,353)
Other instructional programs	139,955	-	149,333	9,378
Special programs	512,650	-	500,857	(11,793)
Adult and continuing education programs	7,491	-	-	(7,491)
Support services:				
Student services	345,905	-	163,086	(182,819)
Instructional staff support	552,258	-	456,479	(95,779)
General administration	537,976	-	10,922	(527,054)
School administration	264,255	-	43,854	(220,401)
Business services	310,789	-	244,334	(66,455)
Plant services	619,962	-	115,148	(504,814)
Student transportation services	405,467	-	198,110	(207,357)
Central services	22,783	-	5,570	(17,213)
Food services	348,368	2,763	254,904	(90,701)
Interest on long-term debt	2,720	-	-	(2,720)
Total governmental activities	\$ 6,710,253	\$ 2,763	\$ 2,513,625	(4,193,865)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				2,296,967
Sales and use taxes, levied for salaries				822,419
State revenue sharing, unrestricted				14,971
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				2,327,488
Interest and investment earnings				2,126
Miscellaneous				183,610
Special items:				
Gain on disposal of assets				10,519
Total general revenues and special items				5,658,100
Excess of expenses over revenues				1,464,235
Beginning net position, as restated				(16,053,089)
Ending net position				\$ (14,588,854)

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Balance Sheet - Governmental Funds
June 30, 2021

	Major Funds					
	General Fund	Special Revenue Funds				
		Food Service	Sales Tax	Title I	Education Excellence	Education Stabilization
Assets						
Assets:						
Cash and cash equivalents	\$ 1,719,497	\$ 254,932	\$ 213,560	\$ -	\$ -	\$ -
Restricted investments	-	-	-	-	538,261	-
Receivables	56,244	68,961	67,679	533,716	350	541,129
Interfund receivable	1,432,013	50,848	-	-	-	-
Inventory	-	7,437	-	-	-	-
Total assets	\$ 3,207,754	\$ 382,178	\$ 281,239	\$ 533,716	\$ 538,611	\$ 541,129
Liabilities, deferred inflows, and fund balances						
Liabilities:						
Accounts payable	\$ 32,065	\$ -	\$ -	\$ 2,966	\$ -	\$ 43,587
Salaries and benefits payable	670,698	40,587	10,325	40,144	-	100,576
Interfund payable	52,587	75,952	214,617	490,606	350	396,966
Total liabilities	755,350	116,539	224,942	533,716	350	541,129
Deferred inflows of resources:						
Deferred revenue	-	4,493	-	-	538,261	-
Fund balances:						
Nonspendable items	-	7,437	-	-	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-
Future salaries from sales tax proceeds	-	-	56,297	-	-	-
Maintenance and operations	100,036	-	-	-	-	-
School food service	-	253,709	-	-	-	-
School activity funds	-	-	-	-	-	-
Unassigned	2,352,368	-	-	-	-	-
Total fund balances	2,452,404	261,146	56,297	-	-	-
Total liabilities, deferred inflows, and fund balances	\$ 3,207,754	\$ 382,178	\$ 281,239	\$ 533,716	\$ 538,611	\$ 541,129

The accompanying notes are an integral part of this statement.

Statement C

Nonmajor Funds		
Other	Total	
Governmental Funds	Governmental Funds	
<u> </u>	<u> </u>	
\$ 59,077	\$ 2,247,066	
-	538,261	
285,608	1,553,687	
1,739	1,484,600	
-	7,437	
<u> </u>	<u> </u>	
\$ 346,424	\$ 5,831,051	
<u> </u>	<u> </u>	
\$ -	\$ 78,618	
21,341	883,671	
253,522	1,484,600	
<u> </u>	<u> </u>	
274,863	2,446,889	
<u> </u>	<u> </u>	
254	543,008	
<u> </u>	<u> </u>	
-	7,437	
5,240	5,240	
3	3	
17,590	17,590	
-	56,297	
-	100,036	
-	253,709	
48,474	48,474	
-	2,352,368	
<u> </u>	<u> </u>	
71,307	2,841,154	
<u> </u>	<u> </u>	
\$ 346,424	\$ 5,831,051	
<u> </u>	<u> </u>	

Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Position
 June 30, 2021

Total fund balances at year end - governmental funds		\$ 2,841,154
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets are not financial resources and, therefore, not reported in the funds.		
Cost of capital assets at year end	\$ 11,708,497	
Less - accumulated depreciation at year end	<u>(8,855,798)</u>	2,852,699
Long-term liabilities are not due and payable in the current period and are not reported in the funds.		
Long-term liabilities at year end:		
Compensated absences	(114,390)	
Bonds payable	(199,980)	
Other post-employment benefits liability	(13,172,476)	
Net pension liability	(6,501,140)	
Accrued interest payable	<u>(895)</u>	<u>(19,988,881)</u>
Retirement related deferrals:		
Outflows	2,077,997	
Inflows	<u>(2,371,823)</u>	<u>(293,826)</u>
Net position at year end - governmental activities		<u>\$ (14,588,854)</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

June 30, 2021

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TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2021

	Major Funds					
	General Fund	Special Revenue Funds				
		Food Service	Sales Tax	Title I	Education Excellence	Education Stabilization
Revenues:						
Local sources:						
Ad valorem taxes	\$ 2,296,967	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	822,419	-	-	-
Interest earnings	1,198	150	760	-	-	-
Food services	-	2,763	-	-	-	-
Other	156,542	-	-	-	-	-
State sources:						
Equalization	2,323,110	4,378	-	-	-	-
Other	22,987	-	-	-	7,606	-
Federal sources	-	254,904	-	922,665	-	781,518
Total revenues	4,800,804	262,195	823,179	922,665	7,606	781,518
Expenditures:						
Current:						
Instruction:						
Regular programs	1,705,031	-	251,733	42,326	-	130,960
Special education programs	545,136	-	115,370	-	-	17,865
Vocational educational programs	19,080	-	-	-	-	-
Other instructional programs	40,241	-	-	102,605	-	22,723
Special programs	26,031	-	25,181	406,523	-	72,257
Adult education programs	7,491	-	-	-	-	-
Support services:						
Student services	219,173	-	56,474	286	7,606	4,750
Instructional staff support	148,771	-	37,018	287,512	-	45,815
General administration	545,412	-	39,555	-	-	10,922
School administration	282,228	-	69,212	-	-	-
Business services	328,808	-	42,725	-	-	-
Plant services	570,790	-	39,280	-	-	146,166
Student transportation services	425,686	-	34,284	-	-	198,110
Central services	14,878	-	-	-	-	5,570
Food services	-	369,870	26,562	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	4,878,756	369,870	737,394	839,252	7,606	655,138
Excess (deficiency) of revenues over expenditures	(77,952)	(107,675)	85,785	83,413	-	126,380
Other financing sources (uses):						
Proceeds from sale of assets	10,519	-	-	-	-	-
Transfers in	269,334	720	-	-	-	287
Transfers out	(73,006)	-	(25,000)	(83,413)	-	(126,667)
Total other financing sources (uses)	206,847	720	(25,000)	(83,413)	-	(126,380)
Net change in fund balances	128,895	(106,955)	60,785	-	-	-
Beginning fund balances, as restated	2,323,509	368,101	(4,488)	-	-	-
Ending fund balances	\$ 2,452,404	\$ 261,146	\$ 56,297	\$ -	\$ -	\$ -

The accompanying notes are an integral part of this statement.

Statement E

Nonmajor Funds		Total
Other Governmental Funds		Governmental Funds
\$ -		\$ 2,296,967
-		822,419
18		2,126
-		2,763
75,052		231,594
-		2,327,488
73,573		104,166
484,171		2,443,258
<u>632,814</u>		<u>8,230,781</u>
76,333	2,206,383	
97,249	775,620	
6,295	25,375	
24,005	189,574	
46,082	576,074	
-	7,491	
150,444	438,733	
123,152	642,268	
-	595,889	
43,854	395,294	
-	371,533	
11,790	768,026	
-	658,080	
-	20,448	
-	396,432	
70,275	70,275	
<u>649,479</u>	<u>8,137,495</u>	
(16,665)	93,286	
-	10,519	
71,999	342,340	
<u>(34,254)</u>	<u>(342,340)</u>	
<u>37,745</u>	<u>10,519</u>	
21,080	103,805	
<u>50,227</u>	<u>2,737,349</u>	
<u>\$ 71,307</u>	<u>\$ 2,841,154</u>	

**Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures, and Changes
 in Fund Balances to the Statement of Activities
 For the Year Ended June 30, 2021**

Total net change in fund balances - governmental funds	\$	103,805
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation expense	\$ (158,008)	
Capital outlays	<u>247,749</u>	89,741

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Proceeds of bond issues is an other source in the governmental funds but increases long-term liabilities in the Statement of Net Position:

Principal payments		66,660
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In the Statement of Activities, certain operating expenses are measured by the amounts incurred 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 is the amount by which the amounts earned exceeds the amount actually paid:

Change in compensated absences payable		17,788
Change in other post-employment benefits and related deferrals		466,240
Change in net pension liability and related deferrals		719,107

Interest on long-term debt in the Statement of Activities is recorded as it is incurred, however, in the governmental funds interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources:

Change in accrued interest payable		<u>894</u>
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Change in net position of governmental activities	\$	<u><u>1,464,235</u></u>
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The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Financial Statements

The Tensas Parish School Board was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within Tensas Parish. The School Board is authorized by R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 10 members who are elected from 10 districts for terms of four years.

The School Board operates 2 schools within the parish with a total enrollment of approximately 500 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Tensas Parish School Board have been prepared in conformity with generally accepted accounting principles (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.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999, as amended.

B. REPORTING ENTITY

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

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Financial Statements

C. FUND ACCOUNTING

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the School Board are classified into two categories: governmental and fiduciary. Each category, in turn, 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 general fixed assets, and the servicing of general long-term obligations. Governmental funds include the following:

1. The General Fund is the general operating fund of the School Board and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt service funds account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Financial Statements

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Assets and Liabilities – Agency Funds at the fund financial statement level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues.

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

Fund Financial Statements (FFS)

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The School Board reports the General Fund, the Food Service Fund, the Sales Tax Fund, the Title I Fund, the ESSER Fund, and the Education Excellence Fund as its major governmental funds. The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Food Service Fund includes the school meal preparation operations and is primarily funded via federal school nutrition programs. The Sales Tax Fund is used to account for sales tax collections that are to be used for salaries and benefits. Title I is a federally-funded program to provide financial assistance to local educational agencies to help children from low-income families meet challenging state academic standards. The Elementary and Secondary School Emergency Relief Fund ("ESSER") is a Federal program to address the impact of COVID-19 on school districts. The Education Excellence Fund reflects the School Board's interest in the state's Education Excellence Fund (see Note 4).

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 School Board generally considers all revenues available if they are collected within 60 days after the fiscal year ended except for revenues related to federal grant programs where costs are reimbursed 100%. For these programs, revenues are recognized when the expenditures are made. Management feels that the financial statements would be misleading if these revenues were not recorded. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. 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 grants are recorded when the reimbursable expenditures have been incurred. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. The taxes are generally collected in December, January, and February of the fiscal year. Sales and use tax revenues are recorded in the month that the original taxable transaction occurred. Substantially all other revenues are recorded when received.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Financial Statements

Expenditures

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. Governmental fund expenditures include the following:

Salaries are recorded as earned. All nine-month employees are to be paid pro rata over twelve months. Thus, salaries paid to these employees in July and August are earned (and are accrued) as of fiscal year end. Principal and interest on general long-term obligations are recognized when due. Inventory is expensed when consumed. Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current resources is recorded in the government-wide financial statements. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Increases (decreases) in net current assets arising from sources other than revenues (expenditures) are accounted for as other financing sources (uses). Such transactions include transfers between funds that are not expected to be repaid, capital lease transactions, sale of fixed assets, and long-term debt proceeds. These other financing sources (uses) are recognized at the time the underlying events occur.

Agency Funds – Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for on the accrual basis of accounting.

E. BUDGETS

The School Board adopts budgets for all funds under its control. The School Board uses the following budget practices:

1. The proposed budget for the fiscal year ended June 30, 2021, was published August 26, 2020. The budget was available for viewing from that date until the date of the public hearing September 10, 2020. The budget was formally adopted on September 10, 2020, by the School Board. The budget must be adopted no later than September 15th and submitted to the Louisiana Department of Education no later than September 30th each year for approval.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. Budgets are prepared on a GAAP basis for all funds.

TENSAS PARISH SCHOOL BOARD
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Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. The superintendent of the School Board has the authority to transfer amounts between accounts within any fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances are recorded at the time the purchasing system generates a purchase order and are liquidated at the time the corresponding expenditure is recognized. Outstanding encumbrances lapse at year-end. To the extent the School Board intends to honor the purchase orders and commitments, they are disclosed in the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and short-term investments with original maturities of three months or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. 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.

I. INVENTORIES

Inventory consists of expendable supplies and are recorded on the consumption method. These items are recorded at the lower of cost (first-in, first-out) or market value.

Inventory of the 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 (issued); 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.

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

J. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

K. CAPITAL ASSETS

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The school board maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	40 years
Furniture and fixtures	10 years
Vehicles	5 years
Equipment	3-10 years

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two types of items that qualify for reporting in this category. The School Board had deferred outflows related to pensions; see Note 7 for additional information. Additionally, the School Board had deferred outflows related to OPEB; see Note 15 for additional information.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has two items that qualify for reporting in this category. It has deferred inflows of resources related to the net pension liability; see Note 7 for additional information on deferred inflows of resources related to defined benefit pension plans. The School Board also has deferred inflows of resources related to total other post-employment benefit liability; see Note 15 for additional information on deferred inflows of resources related to the total post-employment benefit liability.

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L. COMPENSATED ABSENCES

Twelve-month full-time employees earn from ten to fifteen days of vacation leave each year, depending upon the length of service. For the purpose of calculating and apportioning annual leave, the "leave year" shall run from July 1st to June 30th. An employee can carry over no more than 5 days of vacation into a new fiscal year. Upon termination, resignation, or retirement, any unused annual leave shall be paid at the employee's rate of pay.

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 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 leave is used in the retirement benefit computation as earned service.

The School Board records a liability for leave in accordance with GASB Statement 16, *Accounting for Compensated Absences*. The liability for vacation leave is calculated for each employee as the number of vacation leave days available at year end times the employee's current daily wage rate. For sick leave, the School Board makes the assumption that employees who have a minimum experience of ten years will become eligible in the future to receive their accrued sick leave and for those with less than ten years that 30% will become eligible.

Sick and annual leave are reported in the Statement of Net Position as a long-term liability and expensed in the Statement of Activities. Sick and vacation leave accrued in the Statement of Net Position as of the end of the fiscal year are valued at employees' current rates of pay. Neither the School Board nor the employees are required to contribute to the retirement system for sick and annual leave payments. Accrued sick and vacation leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire. A current liability for sick and annual leave is reported in the Governmental Funds only if it is due and payable as of year-end as the result of an employee's retirement during the fiscal year.

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

M. EQUITY CLASSIFICATIONS

For government-wide statement of net position, equity is classified as net position and displayed in three components:

- Net investment in capital assets. This component consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position. Restricted net position consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position. Unrestricted net position consists of all other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

The School Board uses restricted resources first when expenses are incurred when both restricted and unrestricted net position are available.

In the fund statements, governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the School Board classifies governmental fund balances as follows:

- Non-spendable. Relates to fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted. Relates to fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or grantors, or amounts constrained due to constitutional provisions or enabling legislation.
- Committed. Relates to fund balance amounts that are constrained for specific purposes that are internal imposed by the district through formal action of the School Board and does not lapse at year-end.
- Assigned. Relates to fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted nor committed. Fund balance can be assigned by the School Board.
- Unassigned. Relates to fund balance amounts within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

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

TENSAS PARISH SCHOOL BOARD
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N. INTERFUND TRANSACTIONS

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

O. SALES AND USE TAXES

On May 20, 1969 and October 23, 1999, the voters of Tensas Parish approved a one percent and one-half of one percent, respectively, sales and use tax to be levied by the Tensas Parish School Board. In accordance with each proposition approved by the voters of the parish, the net revenues derived from these two sales taxes are dedicated and used for the purpose of providing funding for the payment of salaries of school employees and operating expenses in connection with curriculum improvement. The proceeds of said taxes (after paying reasonable and necessary costs and expenses of collecting and administering the tax) are to be dedicated and used to supplement other revenues available for the payment of salaries and retirement benefits for certified and noncertified employees of the School Board.

P. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Q. PENSIONS

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 Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS), and additions to/deductions from the fiduciary net position for both pensions have been determined on the same basis as they are reported by each pension. 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.

Q. ELIMINATIONS AND RECLASSIFICATIONS

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

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Financial Statements

2. LEVIED TAXES

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

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

Total assessed value was \$62,821,065 in calendar year 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer’s primary residence from parish property taxes. The homestead exemption was \$5,205,740 of the assessed value in calendar year 2020 resulting in net taxable property of \$57,615,325.

All property tax revenue is recorded in the general fund. Revenues 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 are primarily due to the subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date.

Property taxes were levied September 1, 2020. The tax roll is prepared by the parish tax assessor in November of each year. The collection of the property taxes occurs in December, and January and February of the following year. As a result, substantially no property taxes are reflected as receivable for the 2020 levy on the accompanying balance sheet because most are not available within 60 days of the School Board’s year-end.

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

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

	Authorized	Levied	Expiration
	<u>Millage</u>	<u>Millage</u>	<u>Date</u>
Constitutional	5.44	5.44	N/A
Special Maintenance	8.45	8.45	2022
District 3, Special Maintenance	11.84	11.84	2029
District 3, Parish-wide	12.09	12.09	2035

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

3. DEPOSITS

At June 30, 2021, the School Board has cash and interest-bearing deposits (book balances) as follows:

	Governmental Activities
Deposits in banks	\$ 2,167,476
Cash on hand	79,590
Total	<u>\$ 2,247,066</u>

Custodial credit risk is the risk that, in the event of a bank failure, the School Board's deposits may not be recovered. Under state law, the School Board's deposits must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the School Board or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2021, the School Board has \$2,452,063 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$750,650 of federal deposit insurance and \$1,701,413 of pledged securities held by the custodial bank in the name of the School Board. The deposits covered by insurance and pledged securities are not considered subject to custodial credit risk according to GASB Statement No. 3.

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

4. RESTRICTED INVESTMENTS HELD BY OTHERS

The School Board participates in the Louisiana State Treasury's Education Excellence Fund (EEF), which is a special fund, similar to an external local government investment pool, established within the Millennium Trust, a special permanent trust of the State of Louisiana., pursuant to the Louisiana Constitution Article 1, Section 10.8. In accordance with GASB Statement 40, Deposits and Investment Risk Disclosures, the investment in EEF at year end is excluded from custodial credit risk disclosures provided by this statement because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Also, investments in a pool of funds of this nature are not subject to concentration of credit risk or interest rate risk disclosures. The EEF is administered by the Louisiana State Treasury through an investment agreement pursuant to La. R.S. 39:99. Only school boards that have executed investment agreements pursuant to La. R.S. 39:99 have an investment interest in the fund's pool of assets. Pursuant to La. R.S. 39:99 C (1), the State guarantees the principal invested in this fund by the School System. The primary objective of the EEF is to provide a safe environment for the placement of certain local school board monies associated with tobacco company settlements. The monies invested in EEF by the treasurer are done so with the same authority and subject to the same restrictions as the Louisiana Education Quality Trust Fund pursuant to La. R.S. 17:3803. According to Louisiana Constitution Article 7, Section 10.8 (C)(g) no funds may be distributed to the School System from the EEF until an annual plan has been submitted and receives both legislative and Department of Education approval as provided by law. Investments held in trust with the Louisiana State Treasurer for EEF at year end was \$538,261.

5. RECEIVABLES

The receivables of \$1,644,496 at June 30 2021, are as follows:

Class of Receivable	General Fund	Food Service Fund	Sales Tax Fund	Title I Fund	Education Excellence	Education Stabilization	Non-Major Funds	Total
Taxes:								
Sales	\$ -	\$ -	\$ 67,679	\$ -	\$ -	\$ -	\$ -	\$ 67,679
Ad valorem	48,642	-	-	-	-	-	-	48,642
Intergovernmental:								
Federal	-	68,961	-	533,716	-	631,938	232,751	1,467,366
State	4,207	-	-	-	350	-	52,857	57,414
Other	3,395	-	-	-	-	-	-	3,395
Total	\$ 56,244	\$ 68,961	\$ 67,679	\$ 533,716	\$ 350	\$ 631,938	\$ 285,608	\$ 1,644,496

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

6. CAPITAL ASSETS

The changes in capital assets follow:

	Balance, Beginning of Year	Additions	Deletions	Transfers	Balance, End of Year
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 309,540	\$ -	\$ -	\$ -	\$ 309,540
Construction in progress	-	30,270	-	-	30,270
	<u>309,540</u>	<u>30,270</u>	<u>-</u>	<u>-</u>	<u>339,810</u>
Capital assets being depreciated:					
Buildings and improvements	10,304,013	14,354	(12,950)	-	10,305,417
Furniture and equipment	877,814	203,125	(17,669)	-	1,063,270
	<u>11,181,827</u>	<u>217,479</u>	<u>(30,619)</u>	<u>-</u>	<u>11,368,687</u>
Less accumulated depreciation:					
Buildings and improvements	(8,023,175)	(128,951)	12,950	-	(8,139,176)
Furniture and equipment	(705,234)	(29,057)	17,669	-	(716,622)
	<u>(8,728,409)</u>	<u>(158,008)</u>	<u>30,619</u>	<u>-</u>	<u>(8,855,798)</u>
Total capital assets being depreciated, net	<u>2,453,418</u>	<u>59,471</u>	<u>-</u>	<u>-</u>	<u>2,512,889</u>
Governmental activities capital assets, net	<u>\$ 2,762,958</u>	<u>\$ 89,741</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,852,699</u>

Depreciation expense of \$158,008 for the year ended June 30, 2021, was charged to the following governmental functions:

Instruction:	
Regular Education	\$ 127,797
Special Education	8,575
Other instructional	1,051
Support Services:	
Student Transportation Services	6,628
Central Services	2,335
School Food Services	11,622
	<u>158,008</u>
Total	<u>\$ 158,008</u>

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

7. RETIREMENT SYSTEMS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees and are component units of the State of Louisiana.

The School Board has implemented Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. This standard requires the School Board to record its proportional share of each of the pension plan's Net Pension Liability and report the following disclosures:

A. TEACHERS' RETIREMENT SYSTEM OF LOUISIANA (TRSL)

Plan Description. TRSL consists of three membership plans: Regular Plan, Plan A, and Plan B. TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. TRSL issues a publicly available financial report that includes financial statements and required supplementary information for TRSL. That report may be obtained at trsl.org, by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Benefits Provided. The following is a description of the plan and its benefits and is provided for general informational purposes only. TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information.

1) Normal Retirement

Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

TENSAS PARISH SCHOOL BOARD
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- Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.
- Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

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

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

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

2) Deferred Retirement Option Plan (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3rd anniversary of retirement eligibility. Delayed participation reduces the three-year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

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3) Disability Benefits

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

4) Survivor Benefits

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

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education.

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

5) Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature. These ad hoc COLAs are not considered to be substantially automatic.

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Contributions. The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems’ Actuarial Committee (PRSAC), taking into consideration the recommendation of the System’s actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2021, are as follows:

TRSL Sub Plan	Contributions	
	Employee	Employer
K-12 Regular Plan	8.0%	25.8%
Higher Ed Regular Plan	8.0%	25.0%
Plan A	9.1%	25.8%
Plan B	5.0%	25.8%

The School Board’s contractually required composite contribution rate for the year ended June 30, 2021, was 25.8% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. The School Board’s contributions to TRSL for the years ending June 30, 2021, 2020, and 2019, were \$698,215, \$686,165, and \$785,639, respectively, equal to the required contributions for each year.

B. LOUISIANA SCHOOL EMPLOYEES’ RETIREMENT SYSTEM (LSERS)

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained at lsers.org, by writing to the Louisiana School Employees’ Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Benefits Provided. The following is a description of the plan and its benefits and is provided for general informational purposes only. Benefit provisions are authorized under Louisiana Revised Statutes 11:1141 - 11:1153. LSERS provides retirement, deferred retirement option (DROP), and disability. Participants should refer to the appropriate statutes for more complete information.

TENSAS PARISH SCHOOL BOARD
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1) Normal Retirement

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

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

2) Deferred Retirement Option Plan (DROP)

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

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

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

3) Disability Benefits

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

4) Initial Benefit Retirement Plan (IBRP)

Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3).

Contributions. The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Plan members are required to contribute 7.5% (8.0% for members hired after July 1, 2010) of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 28.7% of annual covered payroll. Contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is set by state statute at the greater of 6% or the actuarially determined required rate. Since the statutory rate has been significantly greater than the actuarially required rate in recent years, employers have accumulated a contribution credit. As such, the School Board's contributions to the LSERS for the years ending June 30, 2021, 2020, and 2019, were \$80,601, \$84,727, and \$87,693, respectively, which is equal to the required contributions each year.

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

At June 30, 2021, the School Board reported liability of \$6,501,140 (\$5,838,095 and \$663,045, respectively, for TRSL and LSERS) for its proportionate share of the Net Pension Liability for both plans. The Net Pension Liabilities were measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Obligation for each plan was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the School Board's proportion was .05248% for TRSL and 0.082524% for LSERS, which represented a decrease of .00566 percentage points for TRSL and a decrease of .048189 percentage points for LSERS from its proportions measured as of June 30, 2019.

For the year ended June 30, 2021, the School Board recognized pension expense of \$59,709 (\$104,259 and (\$44,550), respectively, for TRSL and LSERS).

At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 110,036
Changes of assumptions	351,260	-
Net difference between projected and actual earnings on pension plan investments	551,620	-
Changes in proportion	159,672	1,376,042
Contributions subsequent to the measurement date	778,816	-
Total	\$ 1,841,368	\$ 1,486,078

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Teachers' Retirement System	\$ 1,648,061	\$ 1,222,064
School Employees' Retirement System	193,307	264,014

TENSAS PARISH SCHOOL BOARD
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Total	<u>\$ 1,841,368</u>	<u>\$ 1,486,078</u>
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The School Board reported \$778,816 as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date of June 30, 2020, will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2021. The following schedule lists the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Teachers' Retirement System	\$ 698,215
School Employees' Retirement System	<u>80,601</u>
Total	<u>\$ 778,816</u>

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

<u>Year</u>	<u>TRSL</u>	<u>LSERS</u>	<u>Total</u>
2022	\$ (263,683)	\$ (128,795)	\$ (392,477)
2023	(86,160)	(76,251)	(162,411)
2024	6,131	30,652	36,783
2025	<u>71,494</u>	<u>23,086</u>	<u>94,580</u>
	<u>\$ (272,218)</u>	<u>\$ (151,308)</u>	<u>\$ (423,526)</u>

TENSAS PARISH SCHOOL BOARD
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Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the June 30, 2020 valuation date, are as follows:

System	TRSL	LSERS
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization approach	Closed	Closed
Actuarial assumptions:	The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2012 through June 30, 2017.	The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2012 through June 30, 2017.
Expected Remaining Service Lives	5 years	3 years
Investment rate of return	7.45% net of investment expenses.	7.00% net of investment expenses.
Inflation rate	2.3% per annum	2.3% per annum
Projected salary increases	3.1% - 4.6% varies depending on duration of service	3.25%
Cost-of-living adjustments	None	None
Mortality	Active Members – RP-2014 White Collar Employee Tables, adjusted by 1.010 for males and by 0.997 for females. Non-Disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females. Disability retiree mortality – RP-2014 Disability Tables, adjusted by 1,111 for males and by 1,134 for females.	RP-2014 Healthy Annuitant Tables RP-2014 Sex Distinct Employee Tables RP-2014 Sex Distinct Disabled Tables

TENSAS PARISH SCHOOL BOARD
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Best estimates of arithmetic real rates of return by system for each major asset class included in the pension plan's target asset allocation as of the June 30, 2020 valuation date, are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Equity	46.0%	39.0%	5.04%	2.82%
Fixed income	18.5%	26.0%	1.07%	0.92%
Alternatives	25.5%	23.0%	8.62%	1.95%
Other private assets	10.0%	12.0%	4.45%	0.69%

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL and LSERS was 7.45% and 7.00%, respectively, for the year ended June 30, 2020.

The TRSL discount rate used in the June 30, 2020 net pension liability valuation was decreased from the 7.55% used in the June 30, 2019 valuation to 7.45%. The LSERS discount rate used in the June 30, 2020 net pension liability valuation was unchanged from the 7.00% used in the June 30, 2019.

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Notes to the Financial Statements

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School Board’s proportionate share of the Net Pension Liability using the discount rate of each system as well as what the School Board’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each system:

	Rates		Share of Net Pension Liability	
	TRSL	LSERS	TRSL	LSERS
Current discount rate	7.45%	7.00%	\$ 5,838,095	\$ 663,045
One percentage point decrease	6.45%	6.00%	\$ 7,621,139	\$ 868,487
One percentage point increase	8.45%	8.00%	\$ 4,337,118	\$ 487,335

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2021, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$72,214 for its participation in TRSL.

Payables to the Pension Plan

The School Board recorded accrued liabilities to each of the retirement systems for the year ended June 30, 2021, mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries, and other payables. At June 30, 2021, \$237,826 and \$24,008 were payable to TRSL and LSERS, respectively.

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

8. INTERFUND ACTIVITIES

The following is a summary of interfund receivables and payables at June 30, 2021:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Non-major funds	\$ 253,522
General Fund	Food Service Fund	75,952
General Fund	Sales Tax Fund	214,617
General Fund	Title I Fund	490,606
General Fund	Education Stabilization Fund	396,966
General Fund	Education Excellence Fund	350
Food Service Fund	General Fund	50,848
Non-major funds	General Fund	<u>1,739</u>
		<u>\$ 1,484,600</u>

Generally, interfund receivables/payables result from overdrafts of the common cash pool.

The following is a summary of interfund transfers for the year ended June 30, 2021:

<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
General Fund	Title I Fund	\$ 83,413
General Fund	Sales Tax Fund	25,000
General Fund	Education Stabilization Fund	126,667
General Fund	Non-major funds	34,254
Food Service Fund	General Fund	720
Education Stabilization Fund	General Fund	287
Non-major funds	General Fund	<u>71,999</u>
		<u>\$ 342,340</u>

Generally, interfund transfers result from the 1) reimbursement of indirect costs from federal programs to the General Fund, 2) reimbursement to other funds for expenditures paid on behalf of the General Fund, or 3) transfers from the General Fund to the Debt Service Fund for bond payments.

TENSAS PARISH SCHOOL BOARD
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Notes to the Financial Statements

9. LONG-TERM OBLIGATIONS

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

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonded debt	\$ 266,640	\$ -	\$ (66,660)	\$ 199,980	\$ 66,660
Compensated absences	132,175	181,237	(199,022)	114,390	114,390
OPEB	12,856,647	772,877	(457,048)	13,172,476	457,048
Net pension liability	6,685,065	586,967	(770,892)	6,501,140	770,892
Total	<u>\$ 19,940,527</u>	<u>\$ 1,541,081</u>	<u>\$ (1,493,622)</u>	<u>\$ 19,987,986</u>	<u>\$ 1,408,990</u>

Revenue Bonds

Revenue bonds outstanding at June 30, 2021, are as follows:

	Original Issue	Interest Rate	Final Payment Due	Interest to Maturity	Principal Outstanding	Current Portion
Bond Issue Series 2009, Taxable QSCB	<u>\$ 1,000,000</u>	1.35%	2024	<u>\$ 5,400</u>	<u>\$ 199,980</u>	<u>\$ 66,660</u>
	<u>\$ 1,000,000</u>			<u>\$ 5,400</u>	<u>\$ 199,980</u>	<u>\$ 66,660</u>

The Series 2009 Taxable QSCB bonds were sold in a private placement. All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish.

At June 30, 2021, the School Board has accumulated \$5,240 in the debt service fund for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2022	66,660	2,700	69,360
2023	66,660	1,800	68,460
2024	66,660	900	67,560
Total	<u>\$ 199,980</u>	<u>\$ 5,400</u>	<u>\$ 205,380</u>

In accordance with R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2021, the statutory limit is approximately \$30 million.

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10. DEFERRED COMPENSATION PLAN

The School Board offers a deferred compensation plan for employees under the provisions of Internal Revenue Service Code Section 457 (Deferred Compensation Plan) and permits employees to defer a portion of their salary until future years. Part-time, seasonal, and substitute employees are required to contribute 7.5% of their compensation to the Deferred Compensation Plan in lieu of social security, as the School Board does not participate in social security under an Internal Revenue Service Section 218 Agreement for these employee classes. Full-time employees may also voluntarily make contributions to the Deferred Compensation Plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. The School Board does not contribute or match employee contributions to the Deferred Compensation Plan.

All amounts of compensation deferred under the plan, all property rights purchased with those amounts and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries and may not be used for, or diverted to, any other expense, except to defray the reasonable expenses of administering the plan.

The School Board is not liable to participating employees for the diminution in value or loss of all or part of the participating employees' deferred amounts or investment income because of market conditions or the failure, insolvency or bankruptcy of a qualified vendor. Therefore, the Plan is not reported in these financial statements.

11. LEASES

The School Board has entered into various operating leases for office equipment and buses. Total rental expense under these leases for the year ended June 30, 2021 was \$157,714. The schedule by year of future minimum lease payments as of June 30, 2021 is as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$ 89,992
2023	76,644
Total	<u>\$ 166,636</u>

TENSAS PARISH SCHOOL BOARD
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12. EQUITY RESTRICTIONS

As discussed in Note 1(O), the School Board receives the proceeds of two sales taxes totaling one and one-half percent which are dedicated to employee salaries and benefits. Revenues from these taxes and the related expenditures are recorded in the Sales Tax Fund and the resulting fund balance is considered restricted for future salaries.

Funds that have been transferred to the Debt Service Fund in accordance with the provisions of its bond resolution are restricted to future debt service.

13. RISK MANAGEMENT

The School Board maintains insurance coverage through commercial insurance carriers for liability, errors and omissions, employee bonds, workers compensation, and property insurance.

14. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES

The School Board is subject to claims and torts arising principally in the normal course of operations. In the opinion of the School Board and legal counsel, there are no known claims outstanding that would have a material adverse effect on the accompanying basic financial statements and, accordingly, no provision for losses has been recorded.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applied funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; however, the School Board expects such amounts, if any, to be immaterial.

Under the Internal Revenue Code, interest earned on debt proceeds in excess of interest expense prior to the disbursement of such proceeds (called "arbitrage") must be rebated to the Internal Revenue Service. Management believes there is no arbitrage rebate liability at year end.

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15. OTHER POST-EMPLOYMENT BENEFITS

The School Board recognizes the cost of other post-employment benefits (OPEB) in the year when employee services are received, recognizes a liability for OPEB obligations, on the statement of net position, and provides information useful in assessing potential demands on the School Board's future cash flows. Changes in total OPEB liability will be immediately recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

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. 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 for retirees and similar benefits for active employees are provided through Office of Group Benefits, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits is included in these expenditures. No assets are accumulated in a trust that meet the criteria in Paragraph 4 of GASB 75

Funding Policy. The contribution requirements of plan members and the School Board are established and may be amended be LA R.S. 42:801-883. Employees do not contribute to their other post-employment benefits cost until they become retirees and begin receiving those benefits. The healthcare and life insurance premiums are paid 25% by the retiree and 75% by the employer.

The plan is currently financed on a pay-as-you-go basis, with the School Board contributing \$457,048 for 55 active employees and 79 retirees and \$457,048 for 55 active employees and 79 retirees during the years ended June 30, 2021 and 2020, respectively.

Total OPEB Liability

The School Board's total OPEB liability of \$13,172,476 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Inflation	3.00%
Discount rate	2.21%
Health care cost trend rates	4.5%

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The discount rate used to calculate total OPEB liability was 2.21%, which was based on the Bond Pay GO-20 bond index. For healthy lives the RP-2014 Combined Healthy Mortality Table, projected on a fully generational basis by Mortality Improvement Scale MP-2018.

Changes in total OPEB liability are as follows:

Total OPEB liability at beginning of year	\$ 12,856,647
Changes during year:	
Service cost	483,119
Interest on the total OPEB liability	289,758
Annual OPEB cost	<u>772,877</u>
Current year premiums paid	<u>(457,048)</u>
Net change in total OPEB liability	<u>315,829</u>
 Total OPEB liability at end of year	 <u>\$ 13,172,476</u>

Total OPEB expense was \$(9,192) for the year ended June 30, 2021.

Summary totals of deferred outflows of resources and deferred inflows of resources for OPEB plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions	\$ 236,629	\$ -
Difference between expected and actual experience	<u>-</u>	<u>(885,745)</u>
	<u>\$ 236,629</u>	<u>\$ (885,745)</u>

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

<u>Year Ending June 30,</u> 2022	<u>\$ 649,116</u>
	<u>\$ 649,116</u>

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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 or one percentage point higher than the current discount rate:

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Total OPEB liability	\$ 15,316,668	\$ 13,172,476	\$ 11,462,191

Sensitivity of the total OPEB liability to changes in the healthcare cost trend 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 healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Assumed Rate	1% Increase
Total OPEB liability	\$ 15,276,111	\$ 13,172,476	\$ 11,503,430

16. 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 Tensas Parish Tax Collector makes retirement remittances to the teacher's retirement system of the State of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Tax Collector's office. For 2021 the Tax Collector paid the Teacher's Retirement System of Louisiana \$72,214. These amounts are reflected in the financial statements for the General Fund.

17. RISKS AND UNCERTAINTIES

The School Board is at risk for property damage, liability, and theft which are covered by insurance policies. The School Board is also fully insured for workers compensation. Settled claims did not exceed commercial

TENSAS PARISH SCHOOL BOARD
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insurance in fiscal year 2021. Management believes that such coverage is sufficient to preclude any significant uninsured losses to the School Board.

As with the majority of all other school boards within the state, the Tensas Parish School Board is substantially dependent upon federal, state, and local funding. The loss or reduction of these funding sources would have a significant impact on its operations. Additionally, these federal and state programs are subject to compliance audits. Such audits could lead to request for reimbursement by a grantor agency for expenditures that are not allowed under terms of the grants. Management of the School Board believes the amount of such disallowances, if any, which may arise in a future audit will not be material to the financial statements.

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Tensas Parish School Board. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

18. ECONOMIC DEPENDENCY

The state's Minimum Foundation Program (MFP) provides funding to all public school systems in Louisiana and is primarily based on October 1 student count. The state provided \$2,327,488 to the school board, which represents approximately 28% of the School Board's total revenue for the year. Due to declining student counts over the last two years, MFP funding to Tensas Parish School Board decreased by approximately \$418,000 compared to prior year. Additional decreases in student count could have a significant impact on state funding.

Federal revenues accounts for \$2,534,067 (30%) of total revenues.

19. SUBSEQUENT EVENTS

The School Board evaluated its June 30, 2021 financial statements for subsequent events through January 28, 2022, the date the financials were available to be issued. The School Board is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

TENSAS PARISH SCHOOL BOARD
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20. NEW ACCOUNTING STANDARDS

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

Statement No. 84 – *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the School Board controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. As a result of implementing this standard, it was determined that the School Activity Fund, which was previously reported as an agency fund, has been reclassified to a special revenue fund and included in governmental activities in the government-wide financial statements. Implementation of this standard resulted in a prior period adjustment as further discussed in Note 21.

Statement No. 87 – *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of leased assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. This standard is effective for annual reporting periods beginning after June 15, 2021. The School Board will include the requirements of this standard, as applicable, in its June 30, 2022 financial statements. All the School Board lease agreements will need to be evaluated to determine the impact of implementing this standard, however, the effect of this standard or its applicability to the School Board are unknown at this time.

21. PRIOR PERIOD ADJUSTMENT

As a result of implementing Statement No. 84 – *Fiduciary Activities*, a prior period adjustment was required. The effect on beginning equity is as follows:

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Financial Statements

	<u>Other Governmental Funds</u>	<u>Governmental Activities</u>
July 1, 2020 equity, as previously reported	\$ 9,992	\$ (16,093,324)
Change in accounting method	<u>40,235</u>	<u>40,235</u>
July 1, 2020 equity, as restated	<u>\$ 50,227</u>	<u>\$ (16,053,089)</u>

**REQUIRED
SUPPLEMENTARY
INFORMATION**

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Exhibit 1

Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Ad valorem taxes	\$ 2,138,839	\$ 2,296,967	\$ 2,296,967	\$ -
Interest earnings	10,468	1,017	1,198	181
Other	97,453	153,967	156,542	2,575
State sources:				
Equalization	2,743,993	2,323,110	2,323,110	-
Other	23,362	25,562	22,987	(2,575)
Total revenues	5,014,115	4,800,623	4,800,804	181
Expenditures:				
Current:				
Instruction:				
Regular programs	1,689,617	1,707,559	1,705,031	2,528
Special education programs	607,050	545,136	545,136	-
Vocational educational programs	17,252	19,080	19,080	-
Other instructional programs	41,442	40,241	40,241	-
Special programs	13,331	26,031	26,031	-
Adult education programs	6,733	7,491	7,491	-
Support services:				
Student services	195,380	219,173	219,173	-
Instructional staff support	151,315	148,771	148,771	-
General administration	419,417	468,075	545,412	(77,337)
School administration	280,346	282,228	282,228	-
Business administration	399,835	326,206	328,808	(2,602)
Plant services	661,369	546,354	570,790	(24,436)
Student transportation services	447,877	425,730	425,686	44
Central services	26,528	12,112	14,878	(2,766)
Food services	198	-	-	-
Facilities acquisition and construction	70,000	-	-	-
Total expenditures	5,027,690	4,774,187	4,878,756	(104,569)
Excess (deficiency) of revenues over expenditures	(13,575)	26,436	(77,952)	(104,388)
Other financing sources (uses)				
Proceeds of sale of capital assets	-	10,519	10,519	-
Transfers in	125,000	269,334	269,334	-
Transfers out	(71,160)	(74,638)	(73,006)	1,632
Total other financing sources (uses)	53,840	205,215	206,847	1,632
Net change in fund balance	40,265	231,651	128,895	(102,756)
Fund balance - beginning of year	2,323,509	2,323,509	2,323,509	-
Fund balance - end of year	\$ 2,363,774	\$ 2,555,160	\$ 2,452,404	\$ (102,756)

See accompanying notes to the required supplementary information.

**Budgetary (GAAP Basis) Comparison Schedule
Food Service Fund
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Interest earnings	\$ 3,356	\$ 150	\$ 150	\$ -
Food services	4,032	2,763	2,763	-
Other	64	-	-	-
State sources:				
Equalization	4,500	4,378	4,378	-
Federal sources	297,301	216,496	254,904	38,408
Total revenues	309,253	223,787	262,195	38,408
Expenditures:				
Current:				
Support services:				
Food services	476,043	345,933	369,870	(23,937)
Total expenditures	476,043	345,933	369,870	(23,937)
Excess (deficiency) of revenues over expenditures	(166,790)	(122,146)	(107,675)	14,471
Other financing sources (uses)				
Operating transfers in	-	720	720	-
Total other financing sources (uses)	-	720	720	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(166,790)	(121,426)	(106,955)	14,471
Fund balance - beginning of year	368,101	368,101	368,101	-
Fund balance - end of year	\$ 201,311	\$ 246,675	\$ 261,146	\$ 14,471

See accompanying notes to the required supplementary information.

**Budgetary (GAAP Basis) Comparison Schedule
Sales Tax Fund
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Sales and use taxes	\$ 600,000	\$ 717,779	\$ 822,419	\$ 104,640
Interest earnings	1,765	1,936	760	(1,176)
Total revenues	601,765	719,715	823,179	103,464
Expenditures:				
Current:				
Instruction:				
Regular programs	209,411	274,637	251,733	22,904
Special education programs	100,397	131,668	115,370	16,298
Special programs	18,325	24,033	25,181	(1,148)
Support services:				
Student services	44,648	38,032	56,474	(18,442)
Instructional staff support	25,183	33,027	37,018	(3,991)
General administration	32,669	41,002	39,555	1,447
School administration	53,048	69,571	69,212	359
Business administration	31,063	40,739	42,725	(1,986)
Plant services	32,939	43,198	39,280	3,918
Student transportation services	29,107	38,174	34,284	3,890
Food services	18,025	-	26,562	(26,562)
Total expenditures	594,815	734,081	737,394	(3,313)
Excess (deficiency) of revenues over expenditures	6,950	(14,366)	85,785	100,151
Other financing sources (uses)				
Operating transfers out		-	(25,000)	(25,000)
Total other financing sources (uses)	-	-	(25,000)	(25,000)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	6,950	(14,366)	60,785	75,151
Fund balance - beginning of year	(4,488)	(4,488)	(4,488)	-
Fund balance - end of year	\$ 2,462	\$ (18,854)	\$ 56,297	\$ 75,151

See accompanying notes to the required supplementary information.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Exhibit 4

Budgetary (GAAP Basis) Comparison Schedule
Title I Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Federal sources	\$ 876,755	\$ 922,665	\$ 922,665	\$ -
Total revenues	876,755	922,665	922,665	-
Expenditures:				
Current:				
Instruction:				
Regular programs	7,750	42,397	42,326	71
Other instructional programs	62,558	102,605	102,605	-
Special programs	401,112	406,452	406,523	(71)
Support services:				
Student services	7,063	286	286	-
Instructional staff support	319,008	287,512	287,512	-
Total expenditures	797,491	839,252	839,252	-
Excess (deficiency) of revenues over expenditures	79,264	83,413	83,413	-
Other financing sources (uses)				
Transfers out	(79,264)	(83,413)	(83,413)	-
Total other financing sources (uses)	(79,264)	(83,413)	(83,413)	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the required supplementary information.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Exhibit 5

Budgetary (GAAP Basis) Comparison Schedule
Education Stabilization Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
Federal sources	\$ 1,372,121	\$ 737,930	\$ 781,518	\$ 43,588
Total revenues	1,372,121	737,930	781,518	43,588
Expenditures:				
Current:				
Instruction:				
Regular programs	93,116	123,212	130,960	(7,748)
Special education programs	-	17,865	17,865	-
Other instructional programs	-	22,723	22,723	-
Special programs	203,750	72,257	72,257	-
Support services:				
Student services	4,500	4,750	4,750	-
Instructional staff support	143,661	45,815	45,815	-
General administration	10,000	10,922	10,922	-
Plant services	482,790	115,896	146,166	(30,270)
Student transportation services	210,172	198,110	198,110	-
Central services	18,260	-	5,570	(5,570)
Total expenditures	1,166,249	611,550	655,138	(43,588)
Excess (deficiency) of revenues over expenditures	205,872	126,380	126,380	-
Other financing sources (uses)				
Operating transfers in	-	287	287	-
Operating transfers out	(205,872)	(126,667)	(126,667)	-
Total other financing sources (uses)	(205,872)	(126,380)	(126,380)	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the required supplementary information.

Budgetary (GAAP Basis) Comparison Schedule
Education Excellence Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues:				
State sources:				
Other	\$ 7,606	\$ 7,606	\$ 7,606	\$ -
Total revenues	<u>7,606</u>	<u>7,606</u>	<u>7,606</u>	<u>-</u>
Expenditures:				
Current:				
Support services:				
Student services	7,606	7,606	7,606	-
Total expenditures	<u>7,606</u>	<u>7,606</u>	<u>7,606</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the required supplementary information.

Schedule of Changes in Total OPEB Liability and Related Ratios

	2018	2019	2020	2021
Total OPEB Liability				
Service cost	\$ 783,487	\$ 813,886	\$ 813,886	\$ 483,119
Interest on total OPEB liability	506,318	507,003	571,408	289,758
Effect of assumptions changes or inputs	-	-	(2,213,254)	-
Benefit payments	(484,660)	(492,645)	(457,048)	(457,048)
Net change in OPEB liability	805,145	828,244	(1,285,008)	315,829
Total OPEB liability, beginning	12,508,266	13,313,411	14,141,655	12,856,647
Total OPEB liability, ending	<u>\$ 13,313,411</u>	<u>\$ 14,141,655</u>	<u>\$ 12,856,647</u>	<u>\$ 13,172,476</u>
Covered payroll	<u>\$ 2,595,413</u>	<u>\$ 2,595,413</u>	<u>\$ 1,786,596</u>	<u>\$ 1,786,596</u>
Total OPEB liability as a percentage of covered payroll	<u>513.0%</u>	<u>544.9%</u>	<u>719.6%</u>	<u>737.3%</u>
OPEB plan fiduciary net position as a percentage of total OPEB liability	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>

GASB 75 requires this schedule to present information for 10 years. The School Board implemented GASB 75 in Fiscal 2018. Additional years will be presented as they become available.

See accompanying notes to the required supplementary information.

Schedule of Employer's Proportionate Share
 of Net Pension Liability

Measurement Date	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Proportionate Share of NPL as a % of Covered Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability
TRSL:					
06/30/20	0.052480%	\$ 5,838,095	\$2,706,260	216%	65.6%
06/30/19	0.058140%	\$ 5,769,993	\$2,639,096	219%	68.6%
06/30/18	0.064930%	\$ 6,381,432	\$2,942,468	217%	68.2%
06/30/17	0.069821%	\$ 7,157,963	\$3,375,560	212%	65.6%
06/30/16	0.723700%	\$ 8,494,175	\$3,514,951	242%	59.9%
06/30/15	0.080075%	\$ 8,609,886	\$3,866,967	223%	62.5%
06/30/14	0.080820%	\$ 8,261,270	\$3,938,576	210%	63.7%
LSERS:					
06/30/20	0.08252%	\$ 663,045	\$ 280,840	236%	69.7%
06/30/19	0.13071%	\$ 915,072	\$ 288,187	318%	73.4%
06/30/18	0.14272%	\$ 953,592	\$ 317,728	300%	75.0%
06/30/17	0.14384%	\$ 920,471	\$ 411,691	224%	75.0%
06/30/16	0.13498%	\$ 1,018,225	\$ 385,804	264%	70.1%
06/30/15	0.13341%	\$ 846,014	\$ 383,394	221%	74.5%
06/30/14	0.13960%	\$ 809,506	\$ 384,100	211%	76.2%

See accompanying notes to the required supplementary information.

Schedule of Employer Contributions to Pension Plans

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
TRSL:					
2021	\$ 698,215	\$ 698,215	\$ -	\$ 2,706,260	25.8%
2020	\$ 686,165	\$ 686,165	\$ -	\$ 2,639,096	26.0%
2019	\$ 785,639	\$ 785,639	\$ -	\$ 2,942,468	26.7%
2018	\$ 897,899	\$ 897,899	\$ -	\$ 3,375,560	26.6%
2017	\$ 896,312	\$ 896,312	\$ -	\$ 3,514,951	25.5%
2016	\$ 1,013,412	\$ 1,013,412	\$ -	\$ 3,866,967	26.2%
2015	\$ 1,087,047	\$ 1,087,047	\$ -	\$ 3,938,576	27.6%
LSERS:					
2021	\$ 80,601	\$ 80,601	\$ -	\$ 280,840	28.7%
2020	\$ 84,727	\$ 84,727	\$ -	\$ 288,187	29.4%
2019	\$ 87,693	\$ 87,693	\$ -	\$ 317,728	27.6%
2018	\$ 113,627	\$ 113,627	\$ -	\$ 411,691	27.6%
2017	\$ 116,513	\$ 116,513	\$ -	\$ 385,804	30.2%
2016	\$ 115,785	\$ 115,785	\$ -	\$ 383,394	30.2%
2015	\$ 126,753	\$ 126,753	\$ -	\$ 384,100	33.0%

See accompanying notes to the required supplementary information.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Notes to the Required Supplementary Information
As of and for the Year Ended June 30, 2021

1. BUDGETS

Formal budget integration is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting.

Budgets are prepared for all governmental funds of the School Board. The budgets are prepared on the modified accrual basis of accounting (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected 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.

The following funds had actual expenditures over budgeted expenditures for the year ended June 30, 2021:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$4,774,187	\$4,878,756	(\$104,569)
Food Service Fund	345,933	369,870	(23,937)
Sales Tax Fund	734,081	737,394	(3,313)
Education Stabilization Fund	611,550	745,947	(134,397)

2. PENSION PLANS

Changes of Benefit Terms. There were no changes in benefit terms for the year ended June 30, 2020, for either plan.

Changes of Assumptions. For TRSL, the discount rate/investment rate of return was 7.45% for 2020, down from 7.55% in 2019. The For LSERS, there were no changes in assumptions.

3. OPEB PLAN

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

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

June 30, 2021

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SUPPLEMENTAL INFORMATION SCHEDULES

Combining Balance Sheet - Nonmajor Funds by Type
June 30, 2021

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Totals
Assets				
Cash and cash equivalents	\$ 53,187	\$ 650	\$ 5,240	\$ 59,077
Receivables	285,608	-	-	285,608
Interfund receivable	1,739	-	-	1,739
Total assets	\$ 340,534	\$ 650	\$ 5,240	\$ 346,424
Liabilities, deferred inflows, and fund balances				
Liabilities:				
Salaries and benefits payable	\$ 21,341	\$ -	\$ -	\$ 21,341
Interfund payable	252,875	647	-	253,522
Total liabilities	274,216	647	-	274,863
Deferred inflows of resources:				
Deferred revenue	254	-	-	254
Fund equity:				
Fund balances:				
Restricted	66,064	3	5,240	71,307
Total liabilities, deferred inflows, and fund balances	\$ 340,534	\$ 650	\$ 5,240	\$ 346,424

**Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Funds by Type
For the Year Ended June 30, 2021**

	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Totals
Revenues:				
Interest earnings	\$ -	\$ -	\$ 18	\$ 18
Local sources	75,052	-	-	75,052
State sources	73,573	-	-	73,573
Federal sources	484,171	-	-	484,171
Total revenues	<u>632,796</u>	<u>-</u>	<u>18</u>	<u>632,814</u>
Expenditures:				
Current:				
Instruction:				
Regular programs	76,333	-	-	76,333
Special education programs	97,249	-	-	97,249
Vocational educational programs	6,295	-	-	6,295
Other instructional programs	24,005	-	-	24,005
Special programs	46,082	-	-	46,082
Support services:				
Student services	150,444	-	-	150,444
Instructional staff support	123,152	-	-	123,152
School administration	43,854	-	-	43,854
Plant services	11,790	-	-	11,790
Debt service	-	-	70,275	70,275
Total expenditures	<u>579,204</u>	<u>-</u>	<u>70,275</u>	<u>649,479</u>
Excess (deficiency) of revenues over expenditures	<u>53,592</u>	<u>-</u>	<u>(70,257)</u>	<u>(16,665)</u>
Other financing sources (uses):				
Transfers in	1,739	-	70,260	71,999
Transfers out	(34,254)	-	-	(34,254)
Total other financing sources (uses)	<u>(32,515)</u>	<u>-</u>	<u>70,260</u>	<u>37,745</u>
Net change in fund balances	<u>21,077</u>	<u>-</u>	<u>3</u>	<u>21,080</u>
Beginning fund balances, as restated	<u>44,987</u>	<u>3</u>	<u>5,237</u>	<u>50,227</u>
Ending fund balances	<u>\$ 66,064</u>	<u>\$ 3</u>	<u>\$ 5,240</u>	<u>\$ 71,307</u>

Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2021

	IDEA	Preschool	Title II	LA 4	8(g)	TIF	Carl Perkins	Title IV	Title V	School Activity Fund	SRCL	Totals
Assets												
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$48,474	\$ -	\$ 53,187
Receivables	98,729	6,102	4,601	13,740	38,765	30,909	-	38,400	-	-	54,362	285,608
Interfund receivable	-	-	-	-	-	-	-	1,739	-	-	-	1,739
Total assets	\$98,729	\$ 6,102	\$ 4,601	\$18,453	\$38,765	\$30,909	\$ -	\$40,139	\$ -	\$48,474	\$54,362	\$ 340,534
Liabilities, deferred inflows, and fund equity												
Liabilities:												
Salaries and benefits payable	\$11,484	\$ 4,335	\$ 257	\$ 863	\$ 1,450	\$ 2,952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,341
Interfund payable	87,245	1,513	4,344	-	37,315	27,957	-	40,139	-	-	54,362	252,875
Total liabilities	98,729	5,848	4,601	863	38,765	30,909	-	40,139	-	-	54,362	274,216
Deferred inflows of resources:												
Deferred revenue	-	254	-	-	-	-	-	-	-	-	-	254
Fund equity:												
Fund balances:												
Restricted	-	-	-	17,590	-	-	-	-	-	48,474	-	66,064
Total liabilities, deferred inflows, and fund equity	\$98,729	\$ 6,102	\$ 4,601	\$18,453	\$38,765	\$30,909	\$ -	\$40,139	\$ -	\$48,474	\$54,362	\$ 340,534

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Schedule 4

Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021

	IDEA	Preschool	Title II	LA 4	8(g)	TIF	Carl Perkins	Title IV	Title V	School Activity Fund	SRCL	Totals
Revenues:												
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$75,052	\$ -	\$75,052
State sources	-	-	-	34,808	38,765	-	-	-	-	-	-	73,573
Federal sources	203,490	20,701	28,384	10,992	-	99,672	6,295	51,274	6,080	-	57,283	484,171
Total revenues	203,490	20,701	28,384	45,800	38,765	99,672	6,295	51,274	6,080	75,052	57,283	632,796
Expenditures:												
Current:												
Instruction:												
Regular programs	-	-	-	-	38,765	-	-	32,038	5,530	-	-	76,333
Special education programs	83,271	13,978	-	-	-	-	-	-	-	-	-	97,249
Vocational educational programs	-	-	-	-	-	-	6,295	-	-	-	-	6,295
Other instructional programs	-	-	-	-	-	-	-	-	-	24,005	-	24,005
Special programs	-	-	-	32,962	-	-	-	-	-	-	13,120	46,082
Support services:												
Student services	55,748	5,000	-	-	-	85,146	-	4,550	-	-	-	150,444
Instructional staff support	46,074	-	25,818	-	-	12,274	-	-	-	-	38,986	123,152
School administration	-	-	-	-	-	1,046	-	-	-	42,808	-	43,854
Plant services	-	-	-	-	-	-	-	11,790	-	-	-	11,790
Total expenditures	185,093	18,978	25,818	32,962	38,765	98,466	6,295	48,378	5,530	66,813	52,106	579,204
Excess (deficiency) of revenues over expenditures	18,397	1,723	2,566	12,838	-	1,206	-	2,896	550	8,239	5,177	53,592
Other financing sources (uses):												
Transfers in	-	-	-	-	-	-	-	1,739	-	-	-	1,739
Transfers out	(18,397)	(1,723)	(2,566)	-	-	(1,206)	-	(4,635)	(550)	-	(5,177)	(34,254)
Total other financing sources (uses)	(18,397)	(1,723)	(2,566)	-	-	(1,206)	-	(2,896)	(550)	-	(5,177)	(32,515)
Net change in fund balances	-	-	-	12,838	-	-	-	-	-	8,239	-	21,077
Beginning fund balances (restated)	-	-	-	4,752	-	-	-	-	-	40,235	-	44,987
Ending fund balances	-	\$ -	\$ -	\$17,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$48,474	\$ -	\$66,064

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Schedule 5

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2021

<u>MEMBERS</u>	<u>DISTRICT</u>	<u>AMOUNT</u>
Jennifer Burnside	1	\$ 3,900
Morgan Carter	2	3,900
George Matthews	3	3,900
Annice Miller	4	3,900
Esaw Turner	5	3,900
Mary Nell Rushing	6	3,900
John Turner	7	<u>3,900</u>
		<u>\$ 27,300</u>

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

Schedule 6

Schedule of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2021

Agency Head Name: Dr. Paul Nelson

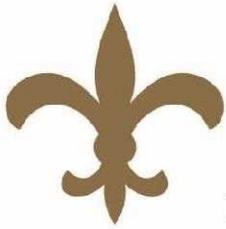
	<u>PURPOSE</u>	<u>AMOUNT</u>
Salary		\$ 102,446
Benefits-insurance		5,496
Benefits-retirement		27,349
Benefits-other		-
Car allowance		9,741
Vehicle provided by government		-
Per diem		-
Reimbursements		-
Travel		2,724
Registration fees		-
Conference travel		-
Continuing professional education fees		-
Housing		-
Unvouchered expenses		-
Special meals		-
Other-dues		-
		<hr/>
		\$ 147,756

**REPORTS AND ADDITIONAL
INFORMATION REQUIRED BY
*GOVERNMENT AUDITING
STANDARDS AND
SINGLE AUDIT ACT
AMENDMENTS OF 1996***

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana

June 30, 2021

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J. Aaron Cooper, CPA, LLC

P.O. Box 918 • 106 West Nezpique Street • Jennings, Louisiana 70546

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INTERNAL 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*

Tensas Parish School Board
St. Joseph, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities, the major funds, and the aggregate remaining fund information of the Tensas Parish School Board as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements and have issued my report thereon dated January 28, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the School Board's internal control.

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

My consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify deficiencies in internal control, described in the accompanying schedule of findings and questioned costs (Findings 2021-1(IC) through 2021-4(IC)) that I consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, I 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and described in the accompanying schedule of findings and questioned costs (Finding 2021-1(C))

Purpose of this Report

This report is intended solely for the information and use of the Tensas Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "J. Aaron Cozart, CPA, LLC". The signature is written in a cursive style.

St. Joseph, Louisiana
January 28, 2022



J. Aaron Cooper, CPA, LLC

P.O. Box 918 • 106 West Nezpique Street • Jennings, Louisiana 70546

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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

Tensas Parish School Board
St. Joseph, Louisiana

Report on Compliance for Each Major Program

I have audited the compliance of the Tensas Parish School Board with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on the compliance for each of the School Board's major programs based on my audit of the types of compliance requirement referred to above. I conducted my 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 Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major program. However, my audit does not provide a legal determination on the School Board's compliance with those requirements.

Opinion on Each Major Program

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

Report on Internal Control Over Compliance

The management of the Tensas Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control 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 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.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the entity's internal control over compliance that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

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

This report is intended solely for the information and use of the Tensas Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

J. Aaron Cozart, CPA, LLC

St. Joseph, Louisiana
January 28, 2022

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education:			
Child Nutrition Cluster:			
Cash Assistance:			
National School Lunch Program	10.555	LEA No. 054	\$ 151,137
School Breakfast Program	10.553	LEA No. 054	75,837
Total Child Nutrition Cluster			<u>226,974</u>
Fresh Fruit and Vegetable Program	10.582	LEA No. 054	7,918
Non-cash Assistance:			
Commodity Supplemental Food Program	10.565	LEA No. 054	20,012
Total United States Department of Agriculture			<u>254,904</u>
United States Department of Education			
Passed through Louisiana Department of Education:			
Special Education Cluster:*			
Individuals with Disabilities Education Act	84.027	28-21-B1-54	203,490
Preschool Grants	84.173	28-21-P1-06	20,701
Total Special Education Cluster			<u>224,191</u>
Title I:			
Grants to Local Educational Agencies	84.010	28-21-TI-54	852,098
Redesign-1003a	84.010	28-18-RD19-54	44,138
Direct Student Services	84.010	28-21-DSS-54	26,429
Total Title I			<u>922,665</u>
Striving Readers Comprehensive Literacy:			
SRCL K - Grade 2	84.371	28-18-SR02-54	3,242
SRCL Grades 3-5	84.371	28-18-SR05-54	50,043
SRCL Grades 9-12	84.371	28-18-SR06-54	3,998
Total SRCL			<u>57,283</u>
Teacher Incentive Funds	84.374	28-21-TP-54	86,192
PBCS Teacher Incentive Funds	84.374	28-21-PBCS	13,480
Total Teacher Incentive Funds			<u>99,672</u>
Vocational Education - Basic Grants to States	84.048	28-21-02-54	6,295
Title II - Teacher & Principal Training and Recruiting	84.367A	28-21-50-54	28,384
Title IV - Student Support & Academic Enrichment	84.424	28-21-71-54	51,274
Temporary Assistance for Needy Families	84.411	N/A	10,992
Education Stabilization Fund:*			
Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425D	28-20-ESRF-54	194,547
ESSER II	84.425D	28-21-ES2F-54	553,432
ESSER III	84.425D	28-21-ES3F-54	27,177
ESSER Incentive	84.425D	28-20-ESRI-54	20,739
Governor's Emergency Education Relief Fund	84.425C	28-20-GERF-54	76,432
Total Education Stabilization Fund			<u>872,327</u>
Rural Education Assistance Program	84.358B	28-21-RE-54	6,080
Total United States Department of Education			<u>2,279,163</u>
Total Expenditures of Federal Awards			<u>\$ 2,534,067</u>

* Denotes major Federal program

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Tensas Parish School Board, St. Joseph, Louisiana. The Tensas Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

2. BASIS OF ACCOUNTING

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

3. RELATIONSHIP TO FINANCIAL STATEMENTS

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

Food Service Fund	\$ 254,904
Title I Fund	922,665
Education Stabilization Fund	872,327
Non-major funds	<u>484,171</u>
	<u>\$ 2,534,067</u>

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.

5. MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

6. NONCASH PROGRAMS

The commodities received from the food distribution program, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture. Commodities valued at \$20,012 were received by the School Board and is included in National School Lunch Program.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I - Summary of Audit Results

Financial Statements

Type of auditors' report issued	Unqualified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over compliance:	
• Material weaknesses identified?	No
• Reportable conditions identified that are not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
• Special Education Cluster	
• Education Stabilization Fund	
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	No
Utilized de minimis indirect cost rate?	No

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

Internal Control

Finding 2021-1(IC) – Segregation of Duties

Finding. The School Board does not have adequate segregation of functions within the accounting system.

Criteria. Good internal control requires that incompatible functions within the accounting system be performed by separate persons.

Effect. Due to lack of segregation of duties, misstatements could result without being prevented or detected and corrected in a timely manner.

Cause. The cause of the deficiency is due to the small staff size.

Recommendation. All incompatible functions should be performed by a separate person.

Finding 2021-2(IC) – Stale-Dated Checks

Finding. There were a number of stale-dated checks being carried on the bank reconciliations.

Criteria. Good internal control requires that older reconciling items on a bank reconciliation be investigated to ensure they are proper.

Effect. Without following up on old outstanding reconciling items, it is possible that these items are not valid, causing a misstatement of cash.

Cause. I was unable to determine a cause for this finding.

Recommendation. I recommend that the bank reconciliation process include a procedure to address outstanding items that do not clear the bank within three months of issuance.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2021

Internal Control (continued)

Finding 2021-3(IC) – School Food Service reimbursement requests

Finding. The School Board did not request reimbursements totaling \$70,183 for March and April meals.

Criteria. Good internal control requires written procedures enumerating actions to be performed and when they should be performed.

Effect. By the time that the auditor communicated the error and the School Board requested reimbursement, only one of the months was able to be recovered, resulting in lost revenue of \$26,277.

Cause. I was unable to determine a cause for this finding.

Recommendation. I recommend that the School Board create a checklist of procedures to be performed each month by the Finance Department to ensure that necessary actions are performed.

Finding 2021-4(IC) – Undeposited funds

Finding. The School Board received two cashier's checks totaling \$79,590 for bank accounts closed in January; however, the checks were not deposited until July. Additionally, a check written from the main account to School Food service in the amount of \$20,000 that was issued in June was not deposited until September.

Criteria. Good internal control requires that receipts be deposited timely. The Legislative Auditor strongly suggests that receipts be deposited within one business day.

Effect. Not depositing receipts timely risks checks being lost. Additionally, such funds are not earning interest.

Cause. I was unable to determine a cause for this finding.

Recommendation. I recommend that all receipts be deposited within one business day as recommended by the Legislative Auditor.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2021

Compliance

Finding 2021-1(C) – Budget Law

Finding. The actual expenditures in the School Food Service Fund and the Education Stabilization Fund exceeded budgeted expenditures by more than 5%.

Criteria. State law requires local governments to amend their budgets when budget variances for revenues and expenditures exceed 5%.

Effect. Finding causes the School Board to not be in compliance with state law.

Cause. The unfavorable variance in the Education Stabilization Fund was caused by additional accounts payable recorded as a result of the audit (see Finding 2021-5(IC)). I was unable to determine the cause for the School Food Service variance.

Recommendation. The School Board should ensure that unpaid invoices relating to the current year's budget should be included in the final revised budget.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Corrective Action Plan
For the Year Ended June 30, 2021

Internal Control

Finding 2021-1(IC) – Segregation of Duties

Name of contact person. Eryn Arrington

Corrective Action. The School Board has determined that it is not cost effective to achieve complete segregation of duties in the accounting department. The School Board does segregate as many duties as possible. The School Board has also contracted a CPA firm to help with some of the accounting and review functions. No corrective action is considered necessary.

Proposed completion date. Not applicable.

Finding 2021-2(IC) – Stale-Dated Checks

Name of contact person. Eryn Arrington

Corrective Action. The School Board will implement the auditor’s recommendation.

Proposed completion date. The School Board will implement the above corrective action immediately.

Finding 2021-3(IC) – School Food Service reimbursement requests

Name of contact person. Eryn Arrington

Corrective Action. The School Board will implement the auditor’s recommendation.

Proposed completion date. The School Board will implement the above corrective action immediately.

Finding 2021-4(IC) – Undeposited funds

Name of contact person. Eryn Arrington

Corrective Action. The School Board will implement the auditor’s recommendation.

Proposed completion date. The School Board will implement the above corrective action immediately.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Corrective Action Plan
For the Year Ended June 30, 2021

Compliance

Finding 2021-1(C) – Budget Law

Name of contact person. Eryn Arrington

Corrective Action. The School Board will implement the auditor’s recommendation.

Proposed completion date. The School Board will implement the above corrective action immediately.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Prior Year Findings
For the Year Ended June 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

Internal Control

Finding 2020-1(IC) – Segregation of Duties

See Finding 2021-1(IC)

Finding 2020-2(IC) – Reconciliation of payroll liabilities

Finding. During the course of the audit, it was determined that payroll liabilities had not been reconciled and were significantly misstated.

Criteria. All significant balance sheet accounts should be reconciled during the month-end close process.

Effect. Misstatements could occur which would not be discovered and corrected on a timely basis.

Cause. Because no monthly reconciliations were being performed, errors were occurring that were not being corrected.

Recommendation. The School Board should ensure that reconciliations of these accounts are performed on a monthly basis.

Corrective Action Taken. The School Board implemented the recommendation. No exceptions were noted during testing of disbursements.

TENSAS PARISH SCHOOL BOARD
St. Joseph, Louisiana
Schedule of Prior Year Findings (continued)
For the Year Ended June 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS (continued)

Finding 2020-3(IC) – Written procedures

Finding. The School Board’s written policies and procedures were lacking in many areas and do not address many of the areas recommended by the Louisiana Legislative Auditor.

Criteria. Good internal control requires that policies and procedures are written and cover all relevant financial areas/processes (see recommended policies as noted in the statewide agreed-upon procedures).

Effect. Written policies and procedures communicate the approved policies and procedures of the School Board and instructs the employees what rules to follow and how procedures are to be performed. Without adequate policies or procedures, procedures relating to internal control may not be consistently followed.

Cause. I was unable to determine a cause for this finding.

Action Taken. The School Board made significant progress in developing and implementing policies and procedures. No longer considered to be a significant deficiency

Finding 2020-4(IC) – Stale-Dated Checks

See Finding 2021-4(IC)

Compliance

Finding 2020-1(C) – Budget Law

See Finding 2020-1(C)

St. Joseph, Louisiana
Schedule of Prior Year Findings (continued)
For the Year Ended June 30, 2021

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Special Education Cluster (No questioned costs)

Finding 2020-1(FIC) – Review and approval of time logs submitted by outside professional services

Finding. During testing of disbursements charged to the IDEA Special Education Program, it was noted that most service provider time logs were not signed as approved by School Board management.

Criteria. In order to ensure that amounts paid to outside professional service providers were proper, time logs should be reviewed and approved by School Board management.

Effect. Without oversight, service providers could potentially charge the School Board for hours not worked.

Cause. Policy was not followed consistently.

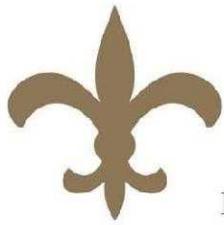
Recommendation. The School Board should ensure that personnel are properly trained on the approval process and that the process is adhered to.

Corrective Action Taken. The School Board implemented the recommendation. No exceptions were noted during testing of disbursements in the current year.

TENSAS PARISH SCHOOL BOARD

PERFORMANCE MEASURES SCHEDULES

**For the Year Ended June 30, 2021
With Independent Accountant's Report
on Applying Agreed-Upon Procedures**



J. Aaron Cooper , CPA, LLC

P.O. Box 918 • 510 North Cutting Avenue • Jennings, Louisiana 70546

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Tensas Parish School Board
St. Joseph, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Tensas Parish School Board, the Louisiana Department of Education, and the Legislative Auditor, State of Louisiana (the specified parties), on the performance and statistical data for the fiscal year ended June 30, 2021; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE), in compliance with Louisiana Revised Statute 24:514 I. Management of the Tensas Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

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

No exceptions were noted during the performance of these procedures.

Class Size Characteristics (Schedule 2)

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

No exceptions were noted during the performance of these procedures.

Education Levels/Experience of Public School Staff

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

Of the 25 individuals tested, there was one person with an incorrect education level. The employee's file indicated a master's degree was earned, but the PEP report indicated bachelor's degree. No other exceptions were noted.

Public School Staff Data: Average Salaries

4. We obtained June 30th 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).

The only salary exception related to the exception in Procedure 3 above. The person's salary needed to be increased by \$353 to agree with the master's degree education level.

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

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

J. Aaron Coogan, CPA, LLC

January 28, 2022

TENSAS PARISH SCHOOL BOARD
DeRidder, Louisiana
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2021

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 900,598	
Other Instructional Staff Activities	148,952	
Employee Benefits	762,081	
Purchased Professional and Technical Services	133,970	
Instructional Materials and Supplies	77,539	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 2,023,140

Other Instructional Activities 49,302

Pupil Support Activities 229,335

Less: Equipment for Pupil Support Activities -

Net Pupil Support Activities 229,335

Instructional Staff Services 163,021

Less: Equipment for Instructional Staff Services -

163,021

School Administration 284,742

Less: Equipment for School Administrative Services -

284,742

Total General Fund Instructional Expenditures \$ 2,749,540

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes \$ 361,223

Renewable Ad Valorem Taxes 1,736,709

Debt Service Ad Valorem Taxes -

Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes 70,443

Sales and Use Taxes 822,419

Total Local Taxation Revenue 2,990,794

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property 24,747

Earnings from Other Real Property -

Total Local Earnings on Investments in Real Property 24,747

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax 6,629

Revenue Sharing - Other Taxes 8,342

Revenue Sharing - Excess Portion -

Other Revenue in Lieu of Taxes -

Total State Revenue in Lieu of Taxes 14,971

Nonpublic Textbook Revenue 275

Nonpublic Transportation Revenue \$ -

TENSAS PARISH SCHOOL BOARD
DeRidder, Louisiana
Class Size Characteristics
As of October 1, 2020

Schedule 2

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	41.10%	67.00	#DIV/0!	-	100.00%	8.00	#DIV/0!	-
Elementary Activity Classes	0.61%	1.00	#DIV/0!	-	0.00%	-	#DIV/0!	-
Middle/Jr. High	0.00%	-	#DIV/0!	-	0.00%	-	#DIV/0!	-
Middle/Jr. High Activity Classes	0.00%	-	#DIV/0!	-	0.00%	-	#DIV/0!	-
High	51.53%	84.00	#DIV/0!	-	0.00%	-	#DIV/0!	-
High Activity Classes	6.75%	11.00	#DIV/0!	-	0.00%	-	#DIV/0!	-
Combination	0.00%	-	#DIV/0!	-	0.00%	-	#DIV/0!	-
Combination Activity Classes	0.00%	-	#DIV/0!	-	0.00%	-	#DIV/0!	-
Other	0.00%	-	#DIV/0!	-	0.00%	-	#DIV/0!	-
Total	100.00%	163.00	#DIV/0!	-	100.00%	8.00	#DIV/0!	-

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

Note 2: Percentage columns may not total exactly due to rounding