

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**



Annual Financial Report

As of and for the Year Ended June 30, 2022

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Independent Auditor's Report

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 - 15, other postemployment benefits information on page 62, net pension liability information and schedule of contributions on pages 63 and 64, and budgetary comparison information on pages 65 - 69, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying other supplementary information, as listed in the table of contents, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2023 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Professional Accounting Corporation

Baton Rouge, LA
February 7, 2023

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**REQUIRED SUPPLEMENTARY
INFORMATION**

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

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

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$34.4 million (deficit net position). The unrestricted net position, which represents the amounts available to meet the School Board's ongoing obligations, was a deficit of \$39.5 million. The School Board is committed to provide postemployment benefits to its employees. As a result, the School Board has recognized substantial liabilities in the financial statements for these benefits. As of June 30, 2022, the School Board had liabilities of \$31 million for postemployment benefits, which has caused the deficit balance in the unrestricted net position.
- The School Board's total net position increased \$1.8 million primarily because of a decrease in long-term liabilities related to pension and OPEB.
- At the close of the current fiscal year, the School Board's governmental funds reported fund balances of \$9.0 million, an increase of \$315,000 in comparison with prior year. Approximately 77% of this amount, \$6.9 million, is available for spending at the School Board's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$6.9 million, or approximately 74% of total General Fund expenditures.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

USING THIS ANNUAL REPORT

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds: General Fund, Title 1 Fund, and ESSER II Fund.

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

Basic Financial Statements

**Government-Wide
Financial Statements**

↔

**Fund
Financial Statements**

Notes to Basic Financial Statements

Required Supplementary Information
Schedule of Changes in the School Board's Net OPEB Liability and Related Ratios
Schedule of School Board's Proportionate Share of the Net Pension Liability
Schedule of School Board's Contributions for Pension Plans
Budgetary Information for Major Funds

Other Supplementary Information
Non-Major Funds Combining Statements
Schedule of Compensation Paid to Board Members
Schedule of Compensation, Benefits, and Other Payments to Agency Head

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplementary Information and Other Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities

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

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

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

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Reporting the School Board's Most Significant Funds

Fund Financial Statements

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

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

THE SCHOOL BOARD AS A WHOLE

The School Board's net position was \$(34.4 million) at June 30, 2022. Of this amount, \$(39.5 million) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use that net position for day-to-day operations.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Our analysis below focuses on the net position (Table 1) and the changes in net position (Table 2) of the School Board's governmental activities.

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

	Governmental Activities		
	2022	2021	Variance
Assets			
Current Assets	\$ 10,014	\$ 9,637	\$ 377
Capital Assets, Net	4,291	4,196	95
Total Assets	14,305	13,833	472
Deferred Outflows of Resources	4,744	7,657	(2,913)
Liabilities			
Other Liabilities	1,034	971	63
Long-Term Liabilities	38,109	53,741	(15,632)
Total Liabilities	39,143	54,712	(15,569)
Deferred Inflows of Resources	14,260	2,897	11,363
Net Position			
Net Investment in Capital Assets	3,091	2,996	95
Restricted	2,023	2,537	(514)
Unrestricted	(39,468)	(41,652)	2,184
Total Net Position	\$ (34,354)	\$ (36,119)	\$ 1,765

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

One portion of the School Board's net position, \$3.1 million, reflects its investment in capital assets (land, buildings, furniture, and equipment) less accumulated depreciation and any related outstanding debt that was used to acquire those assets. The School Board uses these assets to provide a variety of educational services to its students. Accordingly, these assets are not available for future spending. Although the School Board's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the School Board's net position, \$2 million, is reported separately to show legal constraints from debt covenants and enabling legislation and other resources that are subject to external restrictions that limit the School Board's ability to use the net position for day-to-day operations.

At the end of the current fiscal year, the unrestricted net position was a deficit balance of \$39.5 million. The deficit is caused primarily by the approximately \$36.6 million in postemployment liabilities for the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS) pension plans (\$5.7 million) and from the other post-employment benefit (OPEB) plans for retiree healthcare (\$30.9 million).

The School Board's total net position increased by \$1.8 million primarily because net pension liabilities decreased due to strong investment returns by the pension plans in 2021.

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

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

	Governmental Activities		
	2022	2021	Variance
Revenues			
Program Revenues:			
Operating Grants and Contributions	\$ 5,254	\$ 5,129	\$ 125
Charges for Services	1	-	1
General Revenues:			
Ad Valorem Taxes	869	803	66
Sales and Use Taxes	2,511	2,792	(281)
State Minimum Foundation Program	5,742	5,892	(150)
Other General Revenues	896	495	401
Total Revenues	15,273	15,111	162
Expenses			
Instruction:			
Regular Programs	2,716	7,300	(4,584)
Special Programs	797	1,002	(205)
Other Instructional Programs	3,480	2,769	711
Support Services:			
Student Services	876	652	224
Instructional Staff Support	452	665	(213)
General Administration	535	516	19
School Administration	867	790	77
Business Services	401	468	(67)
Plant Services	1,480	1,602	(122)
Food Services	1,225	1,379	(154)
Student Transportation Services	663	596	67
Community Service Programs	-	2	(2)
Interest on Long-Term Debt	16	17	(1)
Total Expenses	13,508	17,758	(4,250)
Increase in Net Position	1,765	(2,647)	4,412
Net Position, Beginning	(36,119)	(33,472)	(2,647)
Net Position, Ending	\$ (34,354)	\$ (36,119)	\$ 1,765

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

In the table below we have presented the cost of each of the School Board's six largest functions - regular programs, special programs, other instructional programs, plant services, student transportation services, and food services, as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows citizens to consider the cost of each function in comparison to the benefits that are provided by that function.

**Table 3
Governmental Activities (in thousands)
For the Years Ended June 30,**

	Total Cost of Services			Net Cost of Services		
	2022	2021	Variance	2022	2021	Variance
Regular Programs	\$ 2,716	\$ 7,300	\$ (4,584)	\$ 2,144	\$ 6,448	\$ (4,304)
Other Instructional Programs	3,480	2,769	711	791	872	(81)
Plant Services	1,480	1,602	(122)	1,420	1,460	(40)
Student Services	876	652	224	789	577	212
School Administration	867	790	77	849	774	75
Food Services	1,225	1,379	(154)	328	167	161
All Other	2,863	3,267	(404)	1,931	2,331	(400)
Total	\$ 13,507	\$ 17,759	\$ (4,252)	\$ 8,252	\$ 12,629	\$ (4,377)

THE SCHOOL BOARD'S FUNDS

As mentioned earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it, but may also give you more insight into the School Board's overall financial health. At June 30, 2022, the School Board reported fund balances of \$9 million, an increase of \$315,000 in comparison with the prior year. Of this amount, \$6.9 million, or 77%, constitutes unassigned fund balance, which is available for spending at the School Board's discretion. The remainder of the fund balance is either non-spendable or restricted to indicate that it is 1) not in a spendable form, \$11,000, or 2) restricted for particular purposes, \$2 million.

The General Fund is our principal operating fund. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund. The fund balance of the General Fund increased from \$6.9 million to \$7.3 million, or 5%, during the current fiscal year. Total revenues decreased by \$167,000 compared to prior year with decreases in sales tax, interest earnings and state sources of funding. Although expenditures increased by \$246,000, the General Fund reported a surplus for the year.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management’s Discussion and Analysis

The Title I Fund accounts for the federal funding received to help local educational agencies improve teaching and learning in high-poverty schools, in particular for children failing, or most at-risk of failing, to meet challenging state academic standards. The School Board received \$1.5 million in Title I funding and \$1.4 million in ESSER II funding during the current fiscal year. The Title I and ESSER II fund balances neither increased nor decreased since it is a cost reimbursement grant.

General Fund Budgetary Highlights

The School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplementary information section of this report. The final budgeted revenues were decreased \$876,000 due mainly to a decrease in budgeted sales tax revenues and state revenues. The final budgeted expenditures were increased by \$981,000 due primarily from an increase in projected salaries and benefits.

In comparing the final budget to actual results, the actual amounts were \$491,000 more than budgeted revenues. Actual expenditures were \$220,000 less than budgeted expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the School Board had \$4.3 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$95,000, or 2%, from last year.

**Table 4
Capital Assets at June 30,
(in thousands)**

	Governmental Activities	
	2022	2021
Land	\$ 318	\$ 318
Buildings and Improvements	3,632	3,564
Furniture and Equipment	341	314
Total	\$ 4,291	\$ 4,196

More detailed information about our capital assets is presented in Note 5 of the Notes to the Financial Statements.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Management's Discussion and Analysis

Debt Administration

At June 30, 2022, the School Board had \$1.2 million of debt outstanding which was unchanged from 2021. The outstanding debt consisted of:

**Table 5
Long-Term Debt at June 30,
(in thousands)**

	2022	2021
QSCB Revenue Bonds, Series 2011	\$ 1,200	\$ 1,200
Total	\$ 1,200	\$ 1,200

Other long-term debt also includes compensated absences. We present more detailed information concerning long-term debt in Note 10 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The School Board's 2022-2023 General Fund budget includes a 1% increase in revenues due to an increase in state and local sources. Expenditures are expected to decrease by 8%.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

Our financial report is designed to provide parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Theresa Thomas, Business Manager, at East Carroll Parish School Board, P.O. Box 792, Lake Providence, Louisiana 71254-0792, telephone number (318) 559-2222.

BASIC FINANCIAL STATEMENTS

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Net Position
June 30, 2022**

Statement A

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 6,698,019
Investments	1,308,560
Receivables	1,996,087
Inventory	10,981
Capital Assets	
Land	318,180
Depreciable Capital Assets, Net of Depreciation	<u>3,973,238</u>
Total Assets	<u>14,305,065</u>
Deferred Outflows of Resources	
Deferred Outflows Related to Pensions	3,763,135
Deferred Outflows Related to Other Postemployment Benefits	<u>980,810</u>
Total Deferred Outflows of Resources	<u>4,743,945</u>
Liabilities	
Accounts Payable	260,380
Interest Payable	5,000
Accrued Expenses	753,897
Unearned Revenue	14,384
Long-Term Liabilities	
Due Within One Year	
Long-Term Debt, Bonds	1,200,000
Due in More than One Year	
Compensated Absences	368,961
Net Pension Liability	5,650,820
Other Postemployment Benefits	<u>30,889,984</u>
Total Liabilities	<u>39,143,426</u>
Deferred Inflows of Resources	
Deferred Inflows Related to Pensions	5,238,195
Deferred Inflows Related to Other Postemployment Benefits	<u>9,021,683</u>
Total Deferred Inflows of Resources	<u>14,259,878</u>
Net Position	
Net Investment in Capital Assets	3,091,418
Restricted for:	
Salary Enhancements	304,866
Debt Service	1,109,500
Child Nutrition	457,682
Student Activities	145,250
Construction	5,885
Unrestricted	<u>(39,468,895)</u>
Total Net Position	<u>\$ (34,354,294)</u>

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2022**

Statement B

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Instruction:				
Regular Programs	\$ 2,715,679	\$ -	\$ 571,534	\$ (2,144,145)
Special Programs	797,147	-	233,886	(563,261)
Other Instructional Programs	3,479,782	-	2,688,640	(791,142)
Support Services:				
Student Services	875,942	-	86,274	(789,668)
Instructional Staff Support	451,774	-	110,379	(341,395)
General Administration	535,325	-	559,121	23,796
School Administration	867,035	-	17,943	(849,092)
Business Services	400,587	-	9,162	(391,425)
Plant Services	1,479,966	-	59,789	(1,420,177)
Student Transportation Services	663,206	-	21,588	(641,618)
Food Services	1,224,745	989	895,958	(327,798)
Interest and Bank Charges	16,250	-	-	(16,250)
Total Governmental Activities	\$ 13,507,438	\$ 989	\$ 5,254,274	(8,252,175)
General Revenues:				
Taxes:				
Ad Valorem Taxes Levied for General and Debt Purposes				869,360
Sales and Use Taxes				2,511,014
Grants and Contributions Not Restricted to Specific Programs				
State Revenue Sharing				13,280
Equalization				5,741,751
Interest and Investment Earnings				35,123
Miscellaneous				847,018
Total General Revenues				10,017,546
Change in Net Position				1,765,371
Net Position, Beginning				(36,119,665)
Net Position, Ending				\$ (34,354,294)

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

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Balance Sheet - Governmental Funds
June 30, 2022**

Statement C

	General Fund	Title I Fund	Esser II Fund	Non-Major Governmental Funds	Total
Assets					
Cash and Cash Equivalents	\$ 6,186,500	\$ 360	\$ -	\$ 511,159	\$ 6,698,019
Investments	207,780	-	-	1,100,780	1,308,560
Receivables	206,519	578,733	286,254	924,581	1,996,087
Interfund Receivables	1,574,237	-	-	-	1,574,237
Inventory	-	-	-	10,981	10,981
Total Assets	\$ 8,175,036	\$ 579,093	\$ 286,254	\$ 2,547,501	\$ 11,587,884
Liabilities					
Accounts Payable	\$ 165,451	\$ 61,967	\$ -	\$ 32,962	\$ 260,380
Unearned Revenue	-	-	12,009	2,375	14,384
Interfund Payables	-	517,126	274,245	782,866	1,574,237
Payroll Liabilities	753,897	-	-	-	753,897
Total Liabilities	919,348	579,093	286,254	818,203	2,602,898
Fund Balances					
Nonspendable	-	-	-	10,981	10,981
Restricted	304,866	-	-	1,718,317	2,023,183
Unassigned	6,950,822	-	-	-	6,950,822
Total Fund Balances	7,255,688	-	-	1,729,298	8,984,986
Total Liabilities and Fund Balances	\$ 8,175,036	\$ 579,093	\$ 286,254	\$ 2,547,501	\$ 11,587,884

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022**

Statement D

Total Fund Balances - Governmental Funds \$ 8,984,986

The cost of capital assets (land, buildings, furniture, and equipment) purchased or constructed is reported as an expenditure in the governmental funds. The statement of net position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets is allocated over their useful lives (as depreciation expense) to the various programs reported as governmental activities in the statement of activities. Because depreciation expense does not affect financial resources, it is not reported in the governmental funds.

Cost of Capital Assets	13,786,202	
Accumulated Depreciation	<u>(9,494,784)</u>	4,291,418

Deferred outflows/inflows related to pensions and other postemployment benefits are not due and payable in the current period and, accordingly, are not reported in the fund financial statements.

Deferred Outflows Related to Pensions		3,763,135
Deferred Outflows Related to Other Postemployment Benefits		980,810
Deferred Inflows Related to Pensions		(5,238,195)
Deferred Inflows Related to Other Postemployment Benefits		(9,021,683)

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position.

Balances at June 30, 2022		
Long-Term Liabilities		
Revenue Bonds	(1,200,000)	
Compensated Absences Payable	(368,961)	
OPEB Liability	(30,889,984)	
Net Pension Liability	<u>(5,650,820)</u>	
		(38,109,765)

Interest on long-term debt is not recognized in governmental funds until it is due and payable (usually semi-annually); however, in the statement of net position that amount of interest which is payable but not yet due is recognized as a current liability.

		<u>(5,000)</u>
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Total Net Position - Governmental Activities		<u>\$ (34,354,294)</u>
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The accompanying notes are an integral part of these financial statements.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2022**

Statement E

	General Fund	Title I Fund	Esser II Fund	Non-Major Governmental Funds	Total
Revenues					
Local Sources:					
Taxes:					
Ad Valorem	\$ 869,360	\$ -	\$ -	\$ -	\$ 869,360
Sales and Use	2,511,014	-	-	-	2,511,014
Interest Earnings	18,551	-	-	16,572	35,123
Other	481,781	-	-	168,276	650,057
Total Local Sources	3,880,706	-	-	184,848	4,065,554
State Sources:					
Equalization	5,729,751	-	-	12,000	5,741,751
State Revenue Sharing	13,280	-	-	-	13,280
Other	137,732	-	-	100,751	238,483
Total State Sources	5,880,763	-	-	112,751	5,993,514
Federal Sources	-	1,468,292	1,404,779	2,091,711	4,964,782
Total Revenues	9,761,469	1,468,292	1,404,779	2,389,310	15,023,850
Expenditures					
Current:					
Instruction:					
Regular Programs	3,395,522	-	204,503	190,061	3,790,086
Special Programs	561,388	-	26,440	207,446	795,274
Other Instructional Programs	868,508	1,254,018	905,025	756,034	3,783,585
Support Services:					
Student Services	694,667	-	-	88,271	782,938
Instructional Staff Support	341,395	76,179	-	34,200	451,774
General Administration	(52,410)	125,371	238,077	195,673	506,711
School Administration	849,092	-	-	17,943	867,035
Business Services	391,425	-	-	9,162	400,587
Plant Services	1,403,355	12,613	12,197	35,760	1,463,925
Food Services	246,619	-	18,537	21,477	286,633
Student Transportation Services	599,792	111	-	-	599,903
Food Services	-	-	-	954,219	954,219
Facilities Acquisition	9,988	-	-	-	9,988
Debt Service:					
Interest and Bank Charges	-	-	-	16,250	16,250
Total Expenditures	9,309,341	1,468,292	1,404,779	2,526,496	14,708,908
Excess of Revenues Over Expenditures	452,128	-	-	(137,186)	314,942

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds (Continued)
For the Year Ended June 30, 2022**

Statement E

	General Fund	Title I Fund	Esser II Fund	Non-Major Governmental Funds	Total
Other Financing Sources (Uses)					
Transfers In	-	-	-	102,859	102,859
Transfers Out	(102,859)	-	-	-	(102,859)
Total Other Financing Sources (Uses)	(102,859)	-	-	102,859	-
Net Change in Fund Balances	349,269	-	-	(34,327)	314,942
Fund Balances, Beginning	6,906,419	-	-	1,763,625	8,670,044
Fund Balances, Ending	\$ 7,255,688	\$ -	\$ -	\$ 1,729,298	\$ 8,984,986

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2022**

Statement F

Total Net Change in Fund Balances - Governmental Funds	\$	314,942
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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 and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year:

Capital Outlays	340,667	
Depreciation Expense	<u>(245,399)</u>	95,268

The recognition of pension expense in the statement of activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the governmental funds are the amounts actually paid.

		1,790,095
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In the statement of activities, compensated absences (vacations and sick leave) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

		10,636
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The recognition of OPEB expense in the statement of activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. OPEB expenditures in the governmental funds are the amounts actually paid.

		<u>(445,570)</u>
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Change in Net Position of Governmental Activities	\$	<u>1,765,371</u>
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The accompanying notes are an integral part of these financial statements.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

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**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The East Carroll Parish School Board (the School Board) was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within East Carroll Parish (the 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 five members who are elected from five districts for terms of four years.

The School Board operates three schools within the Parish with a total enrollment of approximately 778 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or vocational education programs. In addition, the School Board provides transportation and school food services for the students.

GASB has issued and amended various statements which established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these statements, the School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. 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 Statement 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.

B. Basis of Presentation - Fund Accounting

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Governmental Funds

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

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

Title I Fund - This fund accounts for federal revenues used to improve the educational opportunities of educationally-deprived children by helping them succeed in the regular school program, attain grade level proficiency, and improve achievement in basic and more advanced skills. Services supplement, not supplant, those normally provided by state and local educational agencies.

ESSER II Fund - This fund accounts for COVID-19 federal revenues used for school emergency recovery.

C. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the statement of fiduciary net position and the statement of changes in fiduciary net position at the fund financial statement level.

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Program Revenues

Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately in the statement of activities. Other indirect expenses are not allocated.

Fund Financial Statements (FFS)

Governmental Funds

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

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

Revenues

Ad valorem taxes and sales taxes are susceptible to accrual.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (FFS) (Continued)

Governmental Funds

Revenues (Continued)

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

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

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30th.

Substantially all other expenditures are recognized when the related liability has been incurred.

Other Financing Sources (Uses)

Lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

D. Cash and Cash Equivalents

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

E. Investments

Investments are limited by R.S. 33:2955 and the School Board's investment policy. The School Board's policy limits investments to direct U.S. Treasury obligations, bonds, debentures, or notes issued by or guaranteed by federal agencies; bonds, debentures, notes, or other evidence of indebtedness issued by the State of Louisiana or any other state in the United States, or any of the political subdivisions of any state, or by any domestic U.S. corporation, with limited exceptions noted in R.S. 33:2955; or certificates or time deposits in any bank domiciled or having a branch office in Louisiana or any other federally insured investment.

If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

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

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

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

F. Short-Term Interfund Receivables/Payables

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

G. Inventories

Inventories of the governmental fund type financial statements are recorded as expenditures as purchased except for inventory of the Child Nutrition Fund.

Inventories of the Child Nutrition Fund consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. Unused commodities at June 30, 2022 are reported as unearned revenues. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values provided by the United States Department of Agriculture.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

H. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost, if historical cost is not known, and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$5,000 for all assets except intangibles - software that has a capitalization threshold of \$250,000. Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Assets	Years
Buildings	10 - 40 Years
Furniture and Equipment	3 - 10 Years
Intangibles	3 Years

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two items that qualify for reporting in this category that are related to other postemployment benefits (OPEB) and to pensions.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has two items that qualify for reporting in this category that are related to OPEB and to pensions.

Deferred outflows and inflows of resources related to pensions and OPEB are reported as components of unrestricted net position.

J. Unearned Revenues

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

K. Compensated Absences

The School Board has the following policy relating to sick and vacation leave:

All full time 12-month employees earn vacation leave each year as follows: 0 to 3 years of service earn 12 days; 4 to 10 years of service earn 15 days; and 11 years or more earn 18 days. Vacations must be taken during the fiscal year or otherwise forfeited. All School Board employees earn 10 days of sick leave each year. Sick leave may be accumulated and carried forward to succeeding years without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

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

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees when both of the following conditions are met:

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

The liability for sick leave is based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

L. Long-Term Liabilities

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

M. Restricted Net Position

For the government-wide statement of net position, net position is reported as restricted if either of the following conditions exist:

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

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed. Restricted net position for salary enhancements reported in the statement of net position is restricted through enabling legislation.

N. Fund Equity of Fund Financial Statements

GASB Statement No. 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

1. *Non-Spendable* - Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.
2. *Restricted* - Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. *Committed* - Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision-making authority. The Board is the highest level of decision-making authority for the School Board that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of a resolution by the School Board committing the funds.
4. *Assigned* - Fund balance that is constrained by the School Board's intent to be used for specific purposes but are neither restricted nor committed. Intent should be expressed by the Board.
5. *Unassigned* - Fund balance that is the residual classification for the General Fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amount restricted, committed, or assigned to those purposes.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

N. Fund Equity of Fund Financial Statements (Continued)

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

O. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. 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, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. Sales Taxes

The East Carroll Parish School Board has three sales tax ordinances as follows:

The School Board has a one-percent parish-wide sales and use tax as authorized in a special election held December 1967. In accordance with the proposition approved by the voters of the Parish, the net proceeds of the tax are to be used exclusively to supplement the payment of salaries for teachers in the public elementary and secondary schools of the Parish and/or for the expenses of operating the schools. Such operating expenses include payment of salaries of other personnel employed by the School Board.

The School Board also has an additional one-percent sales and use tax as authorized in a special election held July 17, 1993. In accordance with the proposition approved by voters of the Parish, the net proceeds of the tax are to be used for the purpose of salary enhancement for teachers and other employees of the School Board, to be divided annually on an equal basis among all employees.

In October 1998, voters approved another one-percent sales and use tax. In accordance with the proposition approved by the voters of the Parish, the net proceeds of the tax are to be used for salary enhancements for teachers and other employees of the School Board, to be divided annually on an equal basis among all employees.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Q. Budgets

General Budget Practices

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

State statute requires budgets to be adopted for the General Fund and all special revenue funds.

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the General Fund and special revenue funds' budgets that are not grant-oriented. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. Grant funds are included in special revenue funds and their budgets are adopted at the time the grant applications are approved by the Governor. The operating budgets include proposed expenditures and the means of financing them.

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

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

Encumbrances

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

Budget Basis of Accounting

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America. Budgeted amounts are originally adopted or amended by the Board. Legally, the School 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 School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. During the year ended June 30, 2022, the Title I fund had an excess of expenditures over appropriations of \$70,289

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

R. Use of Estimates

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

S. 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.

T. 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 retirement systems and additions to/deductions from the retirements systems' fiduciary net position have been determined on accrual basis, the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. Levied Taxes

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

The East Carroll Parish Sheriff's (the Sheriff) Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 2. Levied Taxes (Continued)

The calendar for the fiscal year is as follows:

Millage Rates Adopted	May 4, 2021
Due Date	December 31, 2021
Lien Date	January 1, 2022
Tax Sales Date - Delinquent	April 14, 2022

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

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service Properties, Excluding Land

After 1978, a re-evaluation of all property is required to be completed no less than every four years. The last re-evaluation was completed for the roll for 2020. Total assessed value was \$50,225,291 in calendar year 2021. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$5,459,442 of the assessed value in calendar year 2021.

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

All property taxes are recorded in the General Fund. Revenues are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 2. Levied Taxes (Continued)

The tax roll is prepared by the East Carroll Parish Tax Assessor in October of each year. The collection of the 2022 property taxes occurs in December, and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

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

	Adjusted Maximum Millage	Levied Millage
Parish-Wide Taxes		
Constitutional	8.24	8.24
Maintenance and Operation	8.20	8.20

Note 3. Deposits and Investments

As of June 30, 2022, the School Board had cash and cash equivalents (book balances) as follows:

Statement A - Cash	\$ 6,698,019
Statement A - Investments (Time Deposits)	<u>207,780</u>
	6,905,799
Less: Deposits Classified as Investments	<u>(207,780)</u>
Total Cash and Cash Equivalents	<u>\$ 6,698,019</u>

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Custodial Credit Risk - Deposits: This is the risk that in the event of a bank failure, the School Board's deposits may not be returned to it. As of June 30, 2022, the School Board had a bank balance of \$8,556,061 in which \$8,097,848 was exposed to custodial credit risk because it was uninsured and secured by pledged securities held by the School Board's agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon request.

At June 30, 2022, the School Board had the following investments:

Description of Investment	Fair Value	Weighted Average Maturity
Certificate of Deposit	\$ 207,780	<1
U.S. Treasury SLGS	<u>1,100,780</u>	1 - 3
Total	<u>\$ 1,308,560</u>	

The School Board measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value as follows: Level 1 inputs are quoted prices for identical assets in active markets; Level 2 inputs are other observable inputs other than Level 1; and Level 3 inputs are other unobservable inputs.

The recurring fair value measurement for the U.S. Treasury securities totaling \$1,100,780 was determined using quoted market prices (Level 2). The nonnegotiable certificate of deposit is measured at cost. The School Board's investment in U.S. Treasury SLGS is to be used exclusively for the QSCB 2011 principal payment due on March 1, 2023.

Interest Rate Risk: The School Board's policy does not address interest rate risk.

Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counter party, the School Board will not be able to recover the value of its investments. The School Board's investment of \$1,100,780 in U.S. Treasuries are registered in the School Board's name held by the trust department of a financial institution. The School Board's policy does not address custodial credit risk.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 4. Receivables

The receivables at June 30, 2022 were as follows:

Class of Receivables	General Fund	Title I Fund	Esser II Fund	Non-Major Governmental Funds	Total
Taxes:					
Sales and Use	\$ 202,538	\$ -	\$ -	\$ -	\$ 202,538
Intergovernmental - Grants					
Federal	-	578,733	286,254	864,191	1,729,178
State	12,069	-	-	60,390	72,459
Other	(8,088)	-	-	-	(8,088)
Total	\$ 206,519	\$ 578,733	\$ 286,254	\$ 924,581	\$ 1,996,087

The School Board expects to collect these balances in full; therefore, no allowance for doubtful accounts was established.

Note 5. Capital Assets

Capital asset balances and activity for the year ended June 30, 2022 were as follows:

Governmental Activities	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Capital Assets, Not Being Depreciated				
Land	\$ 318,180	\$ -	\$ -	\$ 318,180
Capital Assets, Being Depreciated				
Buildings and Improvements	11,524,665	239,090	-	11,763,755
Furniture and Equipment	1,602,690	101,577	-	1,704,267
Total Capital Assets, Being Depreciated	13,127,355	340,667	-	13,468,022
Less Accumulated Depreciation for:				
Buildings and Improvements	7,961,431	170,251	-	8,131,682
Furniture and Equipment	1,287,954	75,148	-	1,363,102
Total Accumulated Depreciation	9,249,385	245,399	-	9,494,784
Total Capital Assets Being Depreciated, Net	3,877,970	95,268	-	3,973,238
Governmental Activities Capital Assets, Net	\$ 4,196,150	\$ 95,268	\$ -	\$ 4,291,418

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$	210,405
Plant Services		2,190
General Administration		4,748
Special Education		1,105
Student Transportation		24,671
Food Services		<u>2,280</u>
Total Depreciation Expense	\$	<u>245,399</u>

Note 6. Pension Plans

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

General Information about the Pension Plans

Plan Descriptions/Benefits Provided

Louisiana School Employees' Retirement System

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Louisiana School Employees' Retirement System (Continued)

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

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 $\frac{1}{3}$ % of the average compensation for the 3 highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 $\frac{1}{3}$ % of the average compensation is used to calculate benefits; however, the calculation consists of the 5 highest consecutive years of membership service, subject to the 10% salary limitation. For members who joined the system on or after July 1, 2010, 2 $\frac{1}{2}$ % of the average compensation is used to calculate benefits and consists of the 5 highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement, and has become totally and permanently disabled, and is certified as disabled by the State Medical Disability Board. A vested person with 20 or more years of creditable service is eligible for a disability benefit until normal retirement age. A member who joined the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with 5 or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Teachers' Retirement System of Louisiana

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

Most of the TRSL members at the School Board are participants in the Regular Plan. In the Regular Plan, eligibility for retirement is determined by the date the member joined TRSL. Members hired prior to January 1, 2011, are eligible to receive retirement benefits (1) at the age of 60 with five years of service, (2) at the age of 55 with at least 25 years of service, or (3) at any age with at least 30 years of service. Members hired between January 1, 2011 and June 30, 2015 are eligible to retire at age 60 with five years of service. Members hired on or after July 1, 2015 are eligible to retire at age 62 with five years of service. All regular plan members are eligible to retire at any age with 20 years of service, but the benefit is actuarially reduced if the member is hired on or after July 1, 1999. Retirement benefits for regular plan members are calculated by applying a percentage ranging from 2% to 2.5% of final average compensation multiplied by years of creditable service. Average compensation is defined in R.S. 11:701 as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or the highest 60 consecutive months of employment for members employed on or after that date.

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Teachers' Retirement System of Louisiana (Continued)

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been in state service at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of 20 years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. The minimum service credit requirement is ten years for a surviving spouse with no minor children. Surviving spouse benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2.5% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. Benefits are paid for life to a qualified handicapped child. Benefits are paid for life to a surviving spouse unless the deceased active member has less than 20 years of creditable service and the surviving spouse remarries before the age of 55.

Deferred Retirement Option Program (DROP)

Both LSERS and TRSL have established a DROP. When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During participation, benefits otherwise payable are fixed and deposited in an individual DROP account. Upon leaving DROP and terminating employment, members must choose among available alternatives for the distribution of benefits that have accumulated in their DROP accounts. Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial lump-sum benefit option in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits.

Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the retirement systems' board of trustees and approved by the Legislature. Both LSERS and TRSL have established an experience account to fund permanent benefit increases for retirees. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as these ad hoc COLAs were deemed not to be substantively automatic.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Contributions

Employee contribution rates are established by R.S. 11:62. Employer contribution rates are established annually under R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the respective pension system actuary. Employer contribution rates are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Each LSERS and TRSL sub-plan pays a separate actuarially determined employer contribution rate. However, all assets of the pension plan are used for the payment of benefits for all classes of members, regardless of their sub-plan membership. For those members participating in the TRSL defined contribution Optional Retirement Plan (ORP), a portion of the employer contributions is used to fund the TRSL defined benefit plan's unfunded accrued liability.

Employer contributions to LSERS for fiscal year 2022 were \$140,158, with active member contributions ranging from 7.5% to 8.0%, and employer contributions of 28.7%. Employer defined benefit plan contributions to TRSL for fiscal year 2022 were \$1,464,423, with active member contributions of 8.0%, and employer contributions of 25.2%. Non-employer contributions to TRSL are comprised of \$39,238 from ad valorem taxes and revenue sharing funds for fiscal year 2022. These non-employer contributions were recorded as revenue and were used as employer contributions.

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

At June 30, 2022, the School Board reported liabilities of \$796,222 and \$4,854,598 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2021, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2021, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were 0.167514%, or an increase of 0.005677% for LSERS, and 0.09093% or an increase of 0.0026% for TRSL.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

For the year ended June 30, 2022, the School Board recognized a total pension benefit of \$20,445 for TRSL and a total pension expense of \$83,842 for LSERS. At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences between Expected and Actual Experience	\$ 17,222	\$ 24,795	\$ 42,017	\$ 11,570	\$ 73,404	\$ 84,974
Changes of Assumptions	26,236	472,558	498,794	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	302,930	3,276,994	3,579,924
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	26,345	1,591,398	1,617,743	10,752	1,562,545	1,573,297
Employer Contributions Subsequent to the Measurement Date	140,158	1,464,423	1,604,581	-	-	-
Total	\$ 209,961	\$ 3,553,174	\$ 3,763,135	\$ 325,252	\$ 4,912,943	\$ 5,238,195

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

Year Ending June 30,	Amortization Amounts		
	LSERS	TRSL	Total
2023	\$ (39,853)	\$ (854,896)	\$ (894,749)
2024	(22,737)	(500,920)	(523,657)
2025	(72,998)	(599,643)	(672,641)
2026	(119,861)	(868,733)	(988,594)
Total	\$ (255,449)	\$ (2,824,192)	\$ (3,079,641)

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions

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

	LSERS	TRSL
Valuation Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	6.90%, net of investment expense, including inflation	7.40, net of investment expense
Inflation Rate	2.50% per annum	2.30% per annum
Projected Salary Increases	2013 - 2017 Experience Study, 3.25%	3.10% - 4.60% (varies depending on duration of service)
Mortality - Non-Disabled Active	RP-2014 Sex Distinct Employee Table	RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females
Mortality - Retiree/Inactive	RP-2014 Healthy Annuitant Table	RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females
Mortality - Disabled	RP-2014 Sex Distinct Mortality Table	RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females Base tables for active, non-disabled retirees, and disabled retirees are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables
Termination, Disability, Retirement	2012 - 2017 Experience Study	2012 - 2017 Experience Study
Cost-of-Living Adjustments	Non-Substantively Automatic	Non-Substantively Automatic

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Changes of Assumptions: The TRSL discount rate used in the June 30, 2021 net pension liability valuation was decreased from the 7.45% used in the June 30, 2020 valuation to 7.40%.

For TRSL, the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 7.87% for 2021.

Best estimates of arithmetic real rates of return for each major asset class included in TRSL's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	27.00%	4.21%
International Equity	19.00%	5.23%
Domestic Fixed Income	13.00%	0.44%
International Fixed Income	5.50%	0.56%
Private Equity	25.50%	8.48%
Other Private Assets	10.00%	4.27%
Total TRSL	100.00%	

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in LSERS' target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income	26.00%	0.76%
Equity	39.00%	2.84%
Alternatives	23.00%	1.87%
Real Estate	12.00%	0.60%
Total LSERS	100.00%	
Inflation	2.10%	

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk returns and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting expected long-term rate of return was 8.17% for 2021.

Discount Rate: The discount rate used to measure the total pension liability was 6.90% for LSERS and 7.40% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at actuarially determined rates approved by the PRSAC, taking into consideration the recommendation of the respective pension system's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
School Board's Proportionate Share of the LSERS Net Pension Liability	\$ 1,226,224	\$ 796,222	\$ 428,664
School Board's Proportionate Share of the TRSL Net Pension Liability	\$ 8,033,868	\$ 4,854,598	\$ 2,180,498

Pension Plan Fiduciary Net Position. Detailed information about LSERS and TRSL fiduciary net position is available in the separately issued financial reports referenced above.

Payables to the Pension Plan: At June 30, 2022, the School Board had \$5,062 and \$97,921 in payables to LSERS and TRSL, respectively, for the June 2022 employee and employer legally required contributions.

Note 7. Other Postemployment Benefits (OPEB)

Plan Description

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Benefits Provided and Funding Policy

The plan provides medical and life insurance benefits for retirees and their dependents. The contribution requirements of plan members and the School Board are established and may be amended by R.S. 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute approximately 25% of the medical premium with the School Board contributing the balance. This percentage will be greater for eligible retirees with less than 20 years of service. Medical coverage is provided through options under the Louisiana Office of Group Benefits (OGB). A Medicare supplement benefit is provided at Medicare eligibility. Benefits continue for life.

Life insurance coverage under the OGB program is available to retirees by election based on the blended rate (active and retired). The employer pays 50% of the cost of the retiree life insurance based on this blended rate. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Employees Covered by Benefit Terms

According to the July 1, 2021 valuation, the following employees were covered by benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	118
Inactive Plan Members or Beneficiaries Entitled to but not yet Receiving Benefit Payments	-
Active Plan Members	<u>97</u>
Total	<u><u>215</u></u>

Total OPEB Liability

The School Board's total OPEB liability of \$30,889,984 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The liability will be liquidated by the General Fund.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 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	2.30%
Discount Rate	3.54% based on the Bond Buyer General Obligation 20-Bond Municipal Index
Healthcare Cost Trend Rates	Range from 5.8%-3.7% for pre-65 and 5.2%-3.7% for post-65, using an inflation rate of 2.2% and without ACA Excise Tax
Mortality - Pre-Retirement	Sex-Distinct Pub-2010 General Mortality Table for employees projected generationally using improvement scale MP-2021
Mortality - Post-Retirement	Sex-Distinct Pub-2010 General Mortality Table for retirees, projected generationally using improvement scale MP-2021
Mortality - Disability Retirement	Sex-Distinct Pub-2010 General Mortality Table for disabled participants, projected generationally using improvement scale MP-2021
Withdrawal Rates	Ranges from 9.0% at age 25 to 4.0% at ages 50 and over
Retirement Rates	Ranges from 4.0% at age 39 increasing to 25.6% at age 60, declining 21.9% at age 69. Age 73 and older is 100%.
Salary Increases, Average Including Inflation	None assumed

The OPEB plan has not had a formal actuarial experience study performed. Utilizing the “pay-as-you-go” method, the School Board contributed \$629,857 in benefit payments.

Changes of Assumptions

The discount rate was adjusted from 2.16% to 3.54%, the Bond Buyer 20-General Obligation Index as of June 30, 2022 as required by GASB Statement No. 75.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

Changes in the Net OPEB Liability

	Total OPEB Liability
Balances at July 1, 2021	\$ 41,035,673
Changes for the Year	
Service Cost	1,439,856
Interest Cost	910,706
Benefit Payments	(629,857)
Effect of Economic/Demographic Gains or Losses	(2,080,452)
Effect of Assumptions Changes or Input	
Claims Table Update	(3,119,551)
Trend Table Update	876,015
Mortality Table Update	154,177
Discount rate	(7,696,583)
Net Investment Income	-
Net Changes for the Year	<u>(10,145,689)</u>
Balance as of June 30, 2022	<u><u>\$ 30,889,984</u></u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The following presents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current discount rate:

	1.0% Decrease	Discount Rate 3.54%	1.0% Increase
Net OPEB Liability	\$ 35,860,010	\$ 30,889,984	\$ 26,902,405

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following presents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current health care cost trend rate:

	1.0% Decrease	Current Healthcare Cost Trend Rate	1.0% Increase
Net OPEB Liability	\$ 26,568,181	\$ 30,889,984	\$ 36,317,052

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2022, the School Board recognized OPEB of \$1,075,427. At June 30, 2022, the School Board reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 1,744,957
Changes in Assumptions	980,810	7,276,726
Total	\$ 980,810	\$ 9,021,683

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

Year Ending June 30,	Amount
2023	\$ (2,309,070)
2024	(2,993,404)
2025	(2,738,399)

Note 8. Compensated Absences

At June 30, 2022, employees of the School Board had accumulated and vested compensated absences of \$368,961. These employee leave benefits were computed in accordance with GASB Codification Section C60.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 9. Interfund Transactions (FFS Level Only)

Interfund receivables/payables at June 30, 2022 were as follows:

Receivable Fund	Payable Fund	Amount
General	Title I	\$ 517,126
General	ESSER II	274,245
General	Non-Major Governmental	782,866
Total		\$ 1,574,237

The purpose of interfund receivables/payables between the General Fund, Title I Fund, and non-major governmental funds is to cover expenditures on cost reimbursement programs until reimbursements are received.

Interfund transfers at June 30, 2022 were as follows:

	Transfers In	Transfers Out	Amount
Non-Major Governmental Funds	\$ 102,859	\$ -	\$ 102,859
General Fund	-	(102,859)	(102,859)
Total	\$ 102,859	\$ (102,859)	\$ -

The General Fund transferred money to the Debt Service fund to account for current year debt transactions.

Note 10. Long-Term Liabilities

The following is a summary of the long-term obligation transactions for the year ended June 30, 2022:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Private Placement Revenue Bonds					
QSCB Revenue Bond	\$ 1,200,000	\$ -	\$ -	\$ 1,200,000	\$ 1,200,000
Other Liabilities					
Compensated Absences	379,597	287,079	(297,715)	368,961	-
Governmental Activities Long-Term Liabilities	\$ 1,579,597	\$ 287,079	\$ (297,715)	\$ 1,568,961	\$ 1,200,000

The compensated absences liability attributable to the governmental activities will be liquidated 100% by the General Fund.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 10. Long-Term Liabilities (Continued)

The School Board issues debt to construct, acquire, and improve energy facilities and equipment as part of an energy retrofit project. Payments on the private placement debt are made from the General Fund through transfers to the Debt Service Fund.

The private placement individual bond issues are as follows:

Bond	Bond Issue Date	Original Issue	Interest Rate	Final Payment Due	Interest to Maturity	Principal Outstanding
QSCB Revenue Bonds, Series 2011	June 9, 2021	\$ 1,200,000	1.25%	June 15, 2023	\$ 30,000	<u>\$ 1,200,000</u>
Total						<u>\$ 1,200,000</u>

All principal and interest requirements are funded from general operating funds of the General Fund. The School Board's debt service requirements are due as follows:

Year Ending June 30,	QSCB Bond		
	Principal Payments	Interest Payments	Total
2023	<u>\$ 1,200,000</u>	<u>\$ 15,000</u>	<u>\$ 1,215,000</u>
Total	<u>\$ 1,200,000</u>	<u>\$ 15,000</u>	<u>\$ 1,215,000</u>

In accordance with the R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2022, the statutory limit was \$17,578,852 and the outstanding general obligation bonded debt totaled \$-0-.

Pledged Revenue: In February 2011, the School Board issued \$1,200,000 in taxable Qualified School Construction Bonds (QSCB) to finance the renovation and repair of public school facilities. The School Board has pledged, as security for the bonds, a portion of the 8.2 mills constitutional ad valorem tax. The bonds are payable solely from constitutional tax collected and are payable through 2023. Total sinking fund contributions and interest remaining to be paid on the QSCB bonds is \$100,000 in sinking fund contributions and \$30,000 in interest. For the year ended June 30, 2022, the School Board received \$406,536 from the collection of the 8.2 mills, and paid \$16,250 in debt service interest payments and made the required annual contribution of \$101,690 into the QSCB sinking fund investment account.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 11. Risk Management

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 have not exceeded commercial insurance in any of the past three years.

Note 12. Litigation and Claims

Litigation

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

Grant Disallowance

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

Energy Performance Contract

The School Board entered into an energy performance contract with TAC Americas, Inc. in November 2004. The contract includes a stipulated operational savings. The Louisiana Attorney General issued an opinion (A.G. Opinion No. 07-0002) regarding a similar contract with another School Board and concluded that some of these contracts may not meet the statutory definition of a performance-based energy contract.

Note 13. 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.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 13. On-Behalf Payments for Fringe Benefits and Salaries (Continued)

The Parish Tax Collector makes retirement remittances to the Teachers' Retirement System of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teachers' retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Parish Tax Collector's office. For 2021, the Parish Tax Collector paid the Teachers' Retirement System of Louisiana \$39,238.

The State of Louisiana made pension contributions (regarding the Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$76. This amount was recognized as state revenue and as a corresponding expenditure in the applicable fund from which the salary was paid.

Note 14. Fund Balance Classification Details

The following are details of the fund balance classifications:

	General Fund	Title I Fund	Non-Major Governmental Funds	Total
Nonspendable	\$ -	\$ -	\$ 10,981	\$ 10,981
Restricted for:				
School Construction	-	-	5,885	5,885
Debt Service	-	-	1,109,500	1,109,500
Child Nutrition	-	-	457,682	457,682
Student Activities	-	-	145,250	145,250
Salary Enhancements	304,866	-	-	304,866
Unassigned	6,950,822	-	-	6,950,822
Total	\$ 7,255,688	\$ -	\$ 1,729,298	\$ 8,984,986

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 15. Tax Abatements

The School Board is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law, the Industrial Tax Exemption Program (ITEP), that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish, and local property taxes for a period of ten years. The exemption is for the "contract" value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended June 30, 2022 by authorized millage is as follows:

Tax Code	Millage	Assessed Value Lost to ITEP	Estimated Tax Dollar Lost to ITEP
Constitutional	8.20	\$ 32,307	265
Maintenance and Operations	8.24	32,307	266

The Louisiana Economic Development Corporation provides incentives for economic development which include an industrial ad valorem tax exemption for up to ten years. During the year ended June 30, 2022, the total School Board's ad valorem taxes abated were \$531.

Note 16. Recently Issued Accounting Pronouncements

Adoption of New Accounting Standard

The GASB issued Statement No. 87, *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The adoption of the standard did not have an effect on the financial statements of the School Board.

The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The Statement amends Questions 4.3 and 4.5 of Implementation Guide 201-2. The adoption of the standard did not have an effect on the financial statements of the School Board.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA**

Notes to Basic Financial Statements

Note 16. Recently Issued Accounting Pronouncements (Continued)

New Upcoming Accounting Pronouncements

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The Statement is effective for fiscal years beginning after June 15, 2022.

The GASB issued Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. The primary objective of the Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The Statement is effective for fiscal years beginning after June 15, 2023.

The GASB issued Statement No. 101, *Compensated Absences*. The Statement updates the recognition and measurement guidance for compensated absences. The Statement is effective for fiscal years beginning after December 15, 2023.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Changes in the School Board's
Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2022**

Exhibit 1-1

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 1,439,856	\$ 1,122,653	\$ 764,164	\$ 727,473	\$ 699,106
Interest Cost	910,706	886,057	1,139,383	1,111,814	973,727
Losses due to Differences between Expected and Actual Experience	(2,080,452)	-	(1,385,672)	-	2,116,155
Changes in Assumptions or Other Inputs	(9,785,942)	344,836	5,831,165	1,740,860	653,044
Benefit Payments	(629,857)	(573,445)	(672,918)	(653,184)	(574,025)
Net Change in OPEB Liability	(10,145,689)	1,780,101	5,676,122	2,926,963	3,868,007
Total OPEB Liability, Beginning	41,035,673	39,255,572	33,579,450	30,652,487	26,784,480
Total OPEB Liability, Ending	\$ 30,889,984	\$ 41,035,673	\$ 39,255,572	\$ 33,579,450	\$ 30,652,487
Covered Employee Payroll	\$ 7,152,112	\$ 6,994,172	\$ 6,393,547	\$ 6,376,753	\$ 7,229,454
Net OPEB Liability as a Percentage of Covered Employee Payroll	431.90%	586.71%	613.99%	526.59%	423.99%

NOTES:

GASB 75 requires this schedule to show information for 10 years. The School Board has implemented GASB 75 in its 2018 fiscal year. Therefore, additional years will be displayed as they become available.

No assets are accumulated in a trust that meets the criteria in GASB 74, paragraph 4, to pay related benefits.

Changes in Assumptions

Discount rate used in valuation was 3.54%, 2.16%, 2.21%, 3.5%, and 3.87% for the years ended June 30, 2022, 2021, 2020, 2019, and 2018, respectively.

Mortality Rates

Pub 2010 General Mortality Tables for employees, retirees, and disabled participants projected generationally using Improvement Scale MP-2021.

See accompanying independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of School Board's Proportionate Share of
the Net Pension Liability
For the Year Ended June 30, 2022**

Exhibit 1-2

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Louisiana School Employees' Retirement System					
2022	0.167514%	\$ 796,222	\$ 519,746	153%	82.50%
2021	0.161837%	1,300,290	489,566	266%	69.67%
2020	0.166649%	1,166,646	481,904	242%	73.49%
2019	0.152011%	1,015,642	438,482	232%	74.44%
2018	0.115099%	736,550	329,491	224%	75.03%
2017	0.130881%	987,297	371,871	265%	70.09%
2016	0.167489%	1,062,096	407,986	260%	74.49%
2015	0.162521%	943,669	456,069	207%	76.18%
Teachers' Retirement System of Louisiana					
2022	0.09093%	\$ 4,854,598	\$ 5,257,347	92%	83.9%
2021	0.08833%	9,825,561	5,102,126	193%	65.6%
2020	0.09219%	9,149,237	5,229,316	175%	68.6%
2019	0.11526%	11,327,579	6,103,995	186%	68.2%
2018	0.10264%	10,522,424	5,235,850	201%	65.6%
2017	0.10909%	12,803,292	5,325,200	240%	59.9%
2016	0.11145%	11,983,313	5,789,766	207%	62.5%
2015	0.12106%	12,373,974	6,142,496	201%	63.7%

NOTES:

The amounts presented were determined as of the previous fiscal year-end. GASB 68 requires this schedule to show information for 10 years. The School Board has implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

See accompanying independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of School Board's Contributions
for Pension Plans
For the Year Ended June 30, 2022**

Exhibit 1-3

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
Louisiana School Employees' Retirement System					
2022	\$ 136,856	\$ 136,856	\$ -	\$ 476,850	28.7%
2021	140,158	140,158	-	519,746	27.0%
2020	143,932	143,932	-	489,566	29.4%
2019	134,933	134,933	-	481,904	28.0%
2018	121,021	121,021	-	438,482	27.6%
2017	89,951	89,951	-	329,491	27.3%
2016	112,305	112,305	-	371,871	30.2%
2015	126,822	126,822	-	407,986	31.1%
Teachers' Retirement System of Louisiana					
2022	\$ 1,452,078	\$ 1,452,078	\$ -	\$ 5,961,327	24.4%
2021	1,356,397	1,356,397	-	5,257,347	25.8%
2020	1,326,553	1,326,553	-	5,102,126	26.0%
2019	1,396,227	1,396,227	-	5,229,316	26.7%
2018	1,623,663	1,623,663	-	6,103,995	26.6%
2017	1,335,142	1,335,142	-	5,235,850	25.5%
2016	1,400,527	1,400,527	-	5,325,220	26.3%
2015	1,616,916	1,616,916	-	5,789,766	27.9%

NOTES:

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

GASB 68 requires this schedule to show information for 10 years. The School Board has implemented GASB 68 in its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

See accompanying independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedules and
Major Fund Descriptions
For the Year Ended June 30, 2022**

GENERAL FUND - The General Fund accounts for all activities of the School Board except those that are accounted for in other funds.

TITLE I FUND - This program is designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency, and improve achievement in basic and more advanced skills. Services supplement, not supplant, those normally provided by state and local educational agencies.

ESSER II FUND - This program accounts for COVID-19 federal grant revenues to be used for emergency school recovery.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2022**

Exhibit 2-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local Sources:				
Taxes:				
Ad Valorem	\$ 802,000	\$ 842,189	\$ 869,360	\$ 27,171
Sales and Use	2,793,000	2,100,000	2,511,014	411,014
Interest Earnings	205,000	195,840	18,551	(177,289)
Other	34,377	103,225	481,781	378,556
Total Local Sources	3,834,377	3,241,254	3,880,706	639,452
State Sources:				
Equalization	5,941,829	5,638,249	5,743,031	104,782
Other	369,458	390,652	137,732	(252,920)
Total State Sources	6,311,287	6,028,901	5,880,763	(148,138)
Total Revenues	10,145,664	9,270,155	9,761,469	491,314
Expenditures				
Current:				
Instruction:				
Regular Programs	2,814,412	3,177,324	3,395,522	(218,198)
Special Programs	600,206	571,780	561,388	10,392
Other Instructional Programs	580,722	792,983	868,508	(75,525)
Support Services:				
Student Services	550,844	709,716	694,667	15,049
Instructional Staff Support	332,861	371,181	341,395	29,786
General Administration	512,292	500,877	(52,410)	553,287
School Administration	643,278	810,704	849,092	(38,388)
Business Services	440,557	393,460	391,425	2,035
Plant Services	1,142,666	1,421,025	1,403,355	17,670
Student Transportation Services	479,132	576,287	599,792	(23,505)
Food Services	-	192,420	246,619	(54,199)
Community Services	2,000	2,400	-	2,400
Facilities Acquisition	449,950	9,558	9,988	(430)
Total Expenditures	8,548,920	9,529,715	9,309,341	220,374
Excess (Deficiency) of Revenues Over Expenditures	1,596,744	(259,560)	452,128	711,688

**EAST CARROLL PARISH SCHOOL BOARD
 LAKE PROVIDENCE, LOUISIANA
 Budgetary Comparison Schedule (Continued)
 General Fund
 For the Year Ended June 30, 2022**

Exhibit 3-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Other Financing Sources (Uses)				
Transfers In	3,193,000	300,000	-	(300,000)
Transfers Out	(2,793,000)	-	(102,859)	(102,859)
Total Other Financing Sources (Uses)	400,000	300,000	(102,859)	(402,859)
Net Change in Fund Balance	1,996,744	40,440	349,269	308,829
Fund Balance, Beginning	6,905,957	6,905,957	6,906,419	462
Fund Balance, Ending	\$ 8,902,701	\$ 6,946,397	\$ 7,255,688	\$ 309,291

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedule
Title I Fund
For the Year Ended June 30, 2022**

Exhibit 2-2

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal Sources	\$ 1,398,003	\$ 1,398,003	\$ 1,468,292	\$ 70,289
Expenditures				
Current:				
Instruction:				
Other Instructional Programs	1,193,987	1,193,987	1,254,018	(60,031)
Support Services:				
Instructional Staff Support	66,032	66,032	76,179	(10,147)
General Administration	125,371	125,371	125,371	-
Plant Services	12,613	12,613	12,613	-
Student Transportation Services	-	-	111	(111)
Total Expenditures	1,398,003	1,398,003	1,468,292	(70,289)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Budgetary Comparison Schedule
ESSER II Fund
For the Year Ended June 30, 2022**

Exhibit 2-3

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal Sources	\$ 2,102,971	\$ 2,102,971	\$ 1,404,779	\$ (698,192)
Expenditures				
Current:				
Instruction:				
Regular Programs	306,143	306,143	204,503	101,640
Special Programs	39,581	39,581	26,440	13,141
Other Instructional Programs	1,354,833	1,354,833	905,025	449,808
Support Services:				
General Administration	356,404	356,404	238,077	118,327
Plant Services	18,259	18,259	12,197	6,062
Operation of Non-Instruction Services	27,751	27,751	18,537	9,214
Total Expenditures	2,102,971	2,102,971	1,404,779	698,192
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

OTHER SUPPLEMENTARY INFORMATION

**COMBINING NON-MAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Combining Non-Major Governmental Funds
Combining Balance Sheet - by Fund Type
June 30, 2022**

Exhibit 3

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Non-Major Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 496,554	\$ 8,720	\$ 5,885	\$ 511,159
Investments	-	1,100,780	-	1,100,780
Receivables	924,581	-	-	924,581
Inventory	10,981	-	-	10,981
Total Assets	\$ 1,432,116	\$ 1,109,500	\$ 5,885	\$ 2,547,501
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 32,962	\$ -	\$ -	\$ 32,962
Unearned Revenue	2,375	-	-	2,375
Interfund Payables	782,866	-	-	782,866
Total Liabilities	818,203	-	-	818,203
Fund Balances				
Nonspendable	10,981	-	-	10,981
Restricted	602,932	1,109,500	5,885	1,718,317
Total Fund Balances	613,913	1,109,500	5,885	1,729,298
Total Liabilities and Fund Balances	\$ 1,432,116	\$ 1,109,500	\$ 5,885	\$ 2,547,501

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Combining Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - by Fund Type
For the Year Ended June 30, 2022**

Exhibit 4

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Non-Major Governmental Funds
Revenues				
Local Sources:				
Interest Earnings	\$ 6	\$ 16,560	\$ 6	\$ 16,572
Other	168,276	-	-	168,276
Total Local Sources	168,282	16,560	6	184,848
State Sources:				
Equalization	12,000	-	-	12,000
Other	100,751	-	-	100,751
Total State Sources	112,751	-	-	112,751
Federal Sources	2,091,711	-	-	2,091,711
Total Revenues	2,372,744	16,560	6	2,389,310
Expenditures				
Current:				
Instruction:				
Regular Programs	190,061	-	-	190,061
Special Programs	207,446	-	-	207,446
Other Instructional Programs	756,034	-	-	756,034
Support Services:				
Student Services	88,271	-	-	88,271
Instructional Staff Support	34,200	-	-	34,200
General Administration	195,673	-	-	195,673
School Administration	17,943	-	-	17,943
Business Services	9,162	-	-	9,162
Plant Services	35,760	-	-	35,760
Student Transportation Services	21,477	-	-	21,477
Food Services	954,219	-	-	954,219
Debt Service:				
Interest and Bank Charges	-	16,250	-	16,250
Total Expenditures	2,510,246	16,250	-	2,526,496
Excess of Revenues Over Expenditures	(137,502)	310	6	(137,186)

**EAST CARROLL PARISH SCHOOL BOARD
 LAKE PROVIDENCE, LOUISIANA
 Combining Non-Major Governmental Funds
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances - by Fund Type (Continued)
 For the Year Ended June 30, 2022**

Exhibit 4

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Non-Major Governmental Funds
Other Financing Sources				
Transfers In	1,169	101,690	-	102,859
Total Other Financing Sources	1,169	101,690	-	102,859
Net Change in Fund Balances	(136,333)	102,000	6	(34,327)
Fund Balances, Beginning	750,246	1,007,500	5,879	1,763,625
Fund Balances, Ending	\$ 613,913	\$ 1,109,500	\$ 5,885	\$ 1,729,298

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**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Non-Major Special Revenue Funds Descriptions
For the Year Ended June 30, 2022**

NON-MAJOR SPECIAL REVENUE FUNDS

Child Nutrition - The basic goals of the Child Nutrition Programs are to serve nutritionally adequate, attractive, and moderately priced meals, to help children grow socially and emotionally, to extend educational influence to homes of school children, and to provide learning experiences that will improve the children's food habits with the ultimate goal of becoming physically fit adults.

Special Education - These grants are to assist in providing free appropriate public education to all children with disabilities.

Title II - This program was designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

JAG - This is a division of the Temporary Assistance for Needy Families (TANF) grant which delivers services to at-risk and disadvantaged youth to aid them in pursuing a post secondary education and ensure participants an opportunity to enter the workforce in a quality job.

Vocational Education - This program was designed to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

Student Support - This program was designed to improve school conditions for student learning and improve the use of technology in order to improve the academic achievement and digital literacy for all students.

Rural Education Achievement - This grant is to assist rural school districts that serve concentrations of children from low-income families to improve the quality of instruction and student achievement.

ESSER III - These funds account for federal grants received to reimburse the School Board for costs related to the COVID-19 pandemic.

Comprehensive Literacy - The purpose of this grant is to advance the pre-literacy skills, reading and writing skills of disadvantaged youth birth through grade 12, including English learners and students with disabilities.

Student Activity - This fund accounts for the School Board's student activity funds at each of its schools. Previously, this fund was accounted for as a fiduciary fund. GASB Statement No. 84, *Fiduciary Activities*, requires it be included in government-wide activities.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Non-Major Special Revenue Funds
Combining Balance Sheet
June 30, 2022**

	Child Nutrition	Special Education	Title II	JAG	Vocational Education
Assets					
Cash and Cash Equivalents	\$ 351,304	\$ -	\$ -	\$ -	\$ -
Receivables	192,994	105,336	12,083	60,390	1,058
Inventory	10,981	-	-	-	-
Total Assets	\$ 555,279	\$ 105,336	\$ 12,083	\$ 60,390	\$ 1,058
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	1,002	6,787	90	-	(60)
Unearned Revenue	-	-	-	-	-
Interfund Payables	85,614	98,549	11,993	60,390	1,118
Total Liabilities	86,616	105,336	12,083	60,390	1,058
Fund Balances					
Nonspendable	10,981	-	-	-	-
Restricted	457,682	-	-	-	-
Total Fund Balances	468,663	-	-	-	-
Total Liabilities and Fund Balances	\$ 555,279	\$ 105,336	\$ 12,083	\$ 60,390	\$ 1,058

Exhibit 5

Student Support	Rural Education	ESSER III	Comprehensive Literacy	Student Activity	Total
\$ -	\$ -	\$ -	\$ -	\$ 145,250	\$ 496,554
27,580	10,271	488,594	26,275	-	924,581
-	-	-	-	-	10,981
\$ 27,580	\$ 10,271	\$ 488,594	\$ 26,275	\$ 145,250	\$ 1,432,116
-	-	7,143	18,000	-	\$ 32,962
-	-	2,375	-	-	2,375
27,580	10,271	479,076	8,275	-	782,866
27,580	10,271	488,594	26,275	-	818,203
-	-	-	-	-	10,981
-	-	-	-	145,250	602,932
-	-	-	-	145,250	613,913
\$ 27,580	\$ 10,271	\$ 488,594	\$ 26,275	\$ 145,250	\$ 1,432,116

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
For the Year Ended June 30, 2022**

	Child Nutrition	Special Education	Title II	JAG	Vocational Education
Revenues					
Local Sources:					
Interest Earnings	\$ 6	\$ -	\$ -	\$ -	\$ -
Other	3,963	-	-	-	-
Total Local Sources	3,969	-	-	-	-
State Sources:					
Equalization	12,000	-	-	-	-
Other	-	-	-	100,751	-
Total State Sources	12,000	-	-	100,751	-
Federal Sources	855,817	197,842	60,443	-	7,541
Total Revenues	871,786	197,842	60,443	100,751	7,541
Expenditures					
Current:					
Instruction:					
Regular Programs	-	-	-	100,751	-
Special Programs	-	155,158	-	-	-
Other Instructional Programs	70,611	-	55,085	-	6,807
Support Services:					
Student Services	1,997	-	-	-	-
Instructional Staff Support	-	25,061	-	-	-
General Administration	-	17,623	5,358	-	-
School Administration	-	-	-	-	-
Business Services	-	-	-	-	-
Plant Services	781	-	-	-	-
Student Transportation Services	-	-	-	-	734
Food Services	932,615	-	-	-	-
Total Expenditures	1,006,004	197,842	60,443	100,751	7,541
Excess (Deficiency) of Revenues Over Expenditures	(134,218)	-	-	-	-
Other Financing Sources					
Transfers In	1,169	-	-	-	-
Total Other Financing Uses	1,169	-	-	-	-
Net Change in Fund Balances	(133,049)	-	-	-	-
Fund Balances, Beginning	601,712	-	-	-	-
Fund Balances, Ending	\$ 468,663	\$ -	\$ -	\$ -	\$ -

Exhibit 6

Student Support	Rural Education	ESSER III	Comprehensive Literacy	Student Activity	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6
-	-	-	-	164,313	168,276
-	-	-	-	164,313	168,282
-	-	-	-	-	12,000
-	-	-	-	-	100,751
-	-	-	-	-	112,751
40,431	21,401	849,019	59,217	-	2,091,711
40,431	21,401	849,019	59,217	164,313	2,372,744
-	-	89,310	-	-	190,061
-	-	52,288	-	-	207,446
36,785	20,667	342,982	55,500	167,597	756,034
-	-	86,274	-	-	88,271
-	-	9,139	-	-	34,200
3,646	734	164,595	3,717	-	195,673
-	-	17,943	-	-	17,943
-	-	9,162	-	-	9,162
-	-	34,979	-	-	35,760
-	-	20,743	-	-	21,477
-	-	21,604	-	-	954,219
40,431	21,401	849,019	59,217	167,597	2,510,246
-	-	-	-	(3,284)	(137,502)
-	-	-	-	-	1,169
-	-	-	-	-	1,169
-	-	-	-	(3,284)	(136,333)
-	-	-	-	148,534	750,246
\$ -	\$ -	\$ -	\$ -	\$ 145,250	\$ 613,913

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Compensation Paid to Board Members
For the Year Ended June 30, 2022**

Exhibit 7

The Schedule of Compensation Paid School Board Members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$650 per month and the president receives an additional \$50 per month for performing the duties of his/her office. Members received an additional \$50 for extra meetings held during the year.

Board Member	District	Amount
Jacqueline Folks, President	4	\$ 8,600
Gene Edmondson, Vice President	5	8,000
Shirley Fairchild	1	7,950
Wanda Jackson	3	7,950
John Shoemaker	2	<u>7,950</u>
Total		<u><u>\$ 40,450</u></u>

See independent auditor's report.

**EAST CARROLL PARISH SCHOOL BOARD
 LAKE PROVIDENCE, LOUISIANA
 Schedule of Compensation, Benefits, and Other Payments
 to Agency Head
 For the Year Ended June 30, 2022**

Exhibit 8

Agency Head
 Meagan Brown, Superintendent

Purpose	Amount
Salary	\$116,435
Benefits - Insurance	\$8,775
Benefits - Retirement	\$29,903
Benefits - Other (Annual Leave and Medicare)	\$1,688
Car Allowance	\$4,800
Vehicle Provided by Government	\$0
Cell Phone	\$691
Reimbursements	\$0
Travel	\$3,358
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Dues	\$600
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.

**OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING*
STANDARDS AND BY OFFICE OF MANAGEMENT AND
BUDGET UNIFORM GUIDANCE**

**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**

Independent Auditor's Report

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

We 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 the governmental activities, each major fund, and the aggregate remaining fund information of East Carroll Parish School Board (the School Board) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated February 7, 2023.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

School Board's Response to Finding

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

Purpose of this Report

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



A Professional Accounting Corporation

Baton Rouge, LA
February 7, 2023

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

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

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

Basis for Opinion on Each Major Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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



A Professional Accounting Corporation

Baton Rouge, LA
February 7, 2023

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education:			
Child Nutrition Cluster:			
Cash Awards:			
National School Lunch Program	10.555	None	\$ 692,831
Summer Food Service Program for Children	10.559	None	56,657
Total Child Nutrition Cluster			749,488
Child and Adult Care Food Program	10.558	None	60,333
Fresh Fruit and Vegetable Program	10.582	None	45,996
Total U.S. Department of Agriculture			855,817
 <u>U.S. Department of Education</u>			
Passed through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	84.010A	28-22-TI-18	1,298,794
Title I - Direct Student Services	84.010A	28-22-DSS-18	17,244
Redesign 1003(a)	84.010A	28-22-RDZ-18	143,993
Vocational Education - Basic Grants	84.048	28-22-02-18	7,541
Title II - Supporting Effective Instruction State Grant	84.367A	28-22-50-18	68,704
Rural Education	84.358B	28-22-RE-18	21,401
Special Education Cluster:			
Grants to States (Part B)	84.027A	28-22-BI-18	197,842
Comprehensive Literacy Development	84.371C	None	59,217
Student Support and Academic Enrichment	84.424A	28-22-71-18	40,431
Esser II Formula	84.425D	28-21-ES2F-18	1,404,779
Esser II EB Intervention	84.425U	28-21-ESEB-18	594,879
Esser III Formula	84.425U	28-21-ESSRFMLA-18	254,140
Total U.S. Department of Education			4,108,965
Total Expenditures of Federal Awards			\$ 4,964,782

See notes to schedule of expenditures of federal awards.

EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the notes to the basic financial statements of the School Board's Annual Financial Report. Such expenditures are recognized following, as applicable, the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Relationship to Basic Financial Statements

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

	Federal Sources
Major Funds	
Title I	\$ 1,468,292
ESSER III	1,404,779
Non-Major Funds	
Child Nutrition	855,817
Special Education	197,842
Title II	60,443
Vocational Education	7,541
Student Support	40,431
Rural Education Achievement	21,401
ESSER III	849,019
Comprehensive Literacy	<u>59,217</u>
Total	<u>\$ 4,964,782</u>

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards (Continued)**

Note 4. Relationship to Federal Financial Reports

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

Note 5. Matching Revenues

The dollar threshold of \$750,000 was used to distinguish between Type A and Type B federal programs. For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 6. Non-Cash Programs

The commodities received, which are non-cash revenues, are valued using prices provided by the United States Department of Agriculture.

Note 7. Indirect Cost Rate

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

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Part I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | | |
|----|--|---------------|
| 1. | Type of auditor's report | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weaknesses identified? | No |
| | b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| | c. Noncompliance material to the financial statements noted? | Yes |

Federal Awards

- | | | |
|----|--|---------------|
| 3. | Internal control over major programs | |
| | a. Material weaknesses identified? | No |
| | b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 4. | Type of auditor's report issued on compliance for each major program | Unmodified |
| 5. | Audit findings disclosed that are required in accordance with Section 2 CFR 200.516(a) | None Reported |
| 6. | Identification of major programs | |

**Assistance Listing
Number**

- | | | |
|----|--|-----------------|
| | Special Education Cluster | 84.027 |
| | Education Stabilization Fund | 84.425D/84.425U |
| 7. | Dollar threshold used to distinguish between Type A and B programs | \$750,000 |
| 8. | Auditee qualified as a low-risk auditee under 2 CFR 200.520 | No |

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2022**

Part II. FINDINGS - FINANCIAL STATEMENT AUDIT

2022-001 Late Submission of Audit Report to the Legislative Auditor

Criteria: Revised Statute 24:513A(5)(a)(i) requires that annual audits should be completed within six months of the close of the entity's fiscal year.

Condition: The School Board's annual financial statements were submitted to the Legislative Auditor in February 2023 which was later than the six-month requirement.

Cause: The late filing was due to a delay by the School Board's actuary in issuing the OPEB valuation report.

Effect: Noncompliance with state law.

Recommendation: The School Board should ensure that future annual financial statements are submitted within the six-month period.

Management's Response: The School Board will submit its future annual financial statements within the six-month period required by state law.

**Part III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

None.

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022**

Part II. FINDINGS - FINANCIAL STATEMENT AUDIT

None.

Part III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

2021-001 Earmarking - Coordinated Early Intervening Services

This finding has been resolved.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board Members of the
East Carroll Parish School Board
Lake Providence, Louisiana

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

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

The procedures and associated findings are as follows:

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

1. We selected a sample of 30 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Results: No exceptions noted.

Class Size Characteristics (Schedule 2)

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

Results: We noted eight instances where the number of students in attendance did not match the reported number. The differences would have resulted in changes to the class size category in four instances.

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

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

Results: We noted three instances where the employee's salary differed from the supporting documentation.

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

Results: No exceptions noted.

* * * * *

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

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

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the School Board, as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA
February 7, 2023

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Schedules Required by Louisiana State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2022**

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

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

Schedule 2 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1 - 20, 21 - 26, 27 - 33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
As of and for the Year Ended June 30, 2022**

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures		
Teacher and Student Interaction Activities		
Classroom Teacher Salaries	\$ 2,206,110	
Other Instructional Staff Activities	569,067	
Instructional Staff Employee Benefits	1,522,472	
Purchased Professional and Technical Services	133,164	
Instructional Materials and Supplies	144,001	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities		\$ 4,574,814
Other Instructional Activities		8,778
Pupil Support Activities	787,673	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		787,673
Instructional Staff Services	342,409	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		342,409
School Administration	848,736	
Less: Equipment for School Administration	-	
Net School Administration		848,736
Total General Fund Instructional Expenditures		<u>\$ 6,562,410</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>\$ -</u>

Certain Local Revenue Sources

Local Taxation Revenue		
Constitutional Ad Valorem Taxes	\$ 405,601	
Renewable Ad Valorem Tax	406,536	
Debt Service Ad Valorem Tax	-	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	578,223	
Sales and Use Taxes	2,511,015	
Total Local Taxation Revenue		<u>\$ 3,901,375</u>
Local Earnings on Investment in Real Property		
Earnings from 16 th Section Property	\$ 177,840	
Earnings from Other Real Property	-	
Total Local Earnings on Investment in Real Property		<u>\$ 177,840</u>
State Revenue in Lieu of Taxes		
Revenue Sharing - Constitutional Tax	\$ 6,640	
Revenue Sharing - Other Taxes	6,640	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes		<u>\$ 13,280</u>
Nonpublic Textbook Revenue	\$ -	
Nonpublic Transportation Revenue	-	
Total Nonpublic		<u>\$ -</u>

**EAST CARROLL PARISH SCHOOL BOARD
LAKE PROVIDENCE, LOUISIANA
Class Size Characteristics
As of October 1, 2021**

Schedule 2

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	63%	87	11%	16	26%	36	0%	0
Elementary Activity Classes	65%	11	11%	2	24%	4	0%	0
Middle/Jr. High	94%	66	6%	4	0%	0	0%	0
Middle/Jr. High Activity Classes	79%	11	7%	1	0%	0	14%	2
High	93%	124	7%	10	0%	0	0%	0
High Activity Classes	91%	20	9%	2	0%	0	0%	0
Combination	0%	0	0%	0	0%	0	0%	0
Combination Activity Classes	0%	0	0%	0	0%	0	0%	0

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

AGREED-UPON PROCEDURES REPORT

East Carroll Parish School Board

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period July 1, 2021 - June 30, 2022

To the Members of the
East Carroll Parish School Board
and the Louisiana Legislative Auditor:

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

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

The procedures and results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: No exceptions noted for a), b), c), e), g), h), i), j) and l), . Exceptions were noted as follows:

- f) Types of services requiring contracts and standard terms and conditions not addressed
- k) Policy and procedures do not mention any of the required elements.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

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

Bank Reconciliations

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

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

Collections (excluding electronic funds transfers)

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

Results: We obtained management's representation that the listing provided is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: No exceptions were noted in the performance of this procedure.

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

Results: No exceptions were noted as a result of this procedure.

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

- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were noted in the performance of this procedure.

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

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

Results: No exceptions were noted as a result of this procedure.

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

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: No exceptions were noted as a result of this procedure.

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

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: We noted 1 disbursement out of 15 tested that was not supported by an invoice or other documentation. No other exceptions were noted in the performance of this procedure.

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

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

Results: We obtained management's representation that the listing provided is complete.

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

[Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

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

Results: Exception noted for procedure as there was one finance charge that was assessed on one credit card. We noted no other exceptions in the performance of this procedure.

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

Results: No exceptions noted in the performance of these

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

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

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

- c) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- d) Observe that each reimbursement is supported by documentation of the business/ public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- e) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: We noted that the superintendent approves her own travel reimbursement. We noted no other exceptions in the performance of this procedure.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

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

Payroll and Personnel

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

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

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe that the rate paid to the employees or officials agree to the authorized salary/ pay rate found within the personnel file.

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

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

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

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

Results: We obtained management's representation that the employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

Debt Service

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

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

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

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

Fraud Notice

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

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

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

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

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report: "We performed the procedure and discussed the results with management."
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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

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

Sexual Harassment

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

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

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

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

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

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

Results: Exception was noted as the report was not prepared by the February 1st deadline.

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

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

This report is intended solely to describe the scope of testing on those C/C areas identified in Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, and the results 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.

A handwritten signature in cursive script that reads "LaPorte".

A Professional Accounting Corporation

Baton Rouge, LA
February 7, 2023



EAST CARROLL PARISH SCHOOL BOARD

P.O. Box 792
514 Third Street
Lake Providence, LA 71254-0792

Office of Superintendent
Meagan Brown

February 7, 2023

Jacqueline Folks
President
District 4

Mr. Michael J. Waguespack
Louisiana Legislative Auditor
1600 N 3rd Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

David Norris
District 5

Shirley Fairchild
District 1

RE: SAUP Agreed-Upon Procedures

John Shoemaker
District 2

The management of East Carroll Parish School Board wishes to provide the following responses relative to the results of the 2021 statewide agreed-upon procedures engagement:

Wanda Jackson
Vice President
District 3

- 1) In response to the results of the Written Policies and Procedures section, the School Board will amend its written policies and procedures to include the missing elements for its contracting and information technology policies and procedures.
- 2) In response to the results of the Non-Payroll Disbursements procedures, management will ensure that all disbursements are supported by an invoice or other documentation.
- 3) In response to the results of the Credit Cards procedures, management will ensure that finance charges are not assessed on credit card statements.
- 4) In response to the results of the Travel and Expense Reimbursement procedures, management will institute procedures for review of the superintendent's credit card statements by a board member.
- 5) In response to the results of the Sexual Harassment procedures, management will prepare the report prior to February 1st of each year.

Sincerely,

Meagan Brown,
Superintendent

"An Equal Opportunity Employer"