ACADIA PARISH SCHOOL BOARD

FINANCIAL REPORT

JUNE 30, 2020

ACADIA PARISH SCHOOL BOARD

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

BROUSSARD
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INDEPENDENT AUDITORS' REPORT

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, Louisiana

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

4112 West Congress Street | P.O. Box 61400 | Lafayette, LA 70596-1400 | 337.988.4930 | 146 West Main Street | New Iberia, LA 70560 | 337.364.4554 | 103 North Avenue F | Crowley, LA 70526 | 337.783.5693

Members of: American Institute of Certified Public Accountants / Society of Louisiana Certified Public Accountants

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 3 through 11 and 72 through 79, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for the consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The other supplementary information on pages 88 through 97 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards on pages 105 and 106 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles*, and *Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining nonmajor governmental fund and fiduciary funds financial statements, the schedule of expenditures of federal awards and the schedule of compensation, benefits and other payments to agency head 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 combining nonmajor governmental fund financial statements and fiduciary funds, the schedule of expenditures of federal awards and the schedule of compensation, benefits and other payments to agency head are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2020, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Broussard Poché, LLP

Lafayette, Louisiana
December 18, 2020

ACADIA PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the Acadia Parish School Board's (the "School Board") financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. The reader should read this discussion in conjunction with the financial statements and the notes to the basic financial statements, which are all included in this report, to enhance their understanding of the School Board's financial performance.

The MD&A is required by the Governmental Accounting Standards Board to supplement the basic financial statements. Certain comparative information between the current year (2019-2020) and the prior year (2018-2019) is required to be presented in the MD&A. All prior year numbers are shown as previously reported.

FINANCIAL HIGHLIGHTS

The School Board's financial position remains stable despite challenging external factors. The staff is continually monitoring expenditures and restructuring departments and positions whenever possible to maximize our potential to deliver the optimum educational opportunities to our students. The School Board has also continued to adjust staffing levels in light of enrollment trends, providing sufficient resources in times of change.

The School Board's net position decreased by $30.1 million from July 1, 2019 to June 30, 2020 as reported in the statement of activities on page 18. An analysis of the major revenues components is as follows:

Minimum Foundation Program (MFP) - MFP is the funding formula from the state for school systems in Louisiana. The funding is based on a formula with many variables and two levels of funding. Level one funding is based on the number of students enrolled in the school system. Level two funding is based on the dollar amount of local funding. The more local tax support received by a District, the more state support (MFP) we receive through level two funding. The School Board received approximately $5,904 for each student during 2019-2020, which is a 4.53% increase from 2018-2019. The unrestricted portion of the MFP funding was $55.9 million during 2019-2020 compared to $53.4 million during 2018-2019, an increase of $2.5 million or 4.37%. Enrollment of MFP membership decreased 1% from the previous year.

Operating Grants - Operating grants and contributions for the School Board were $20.2 million for 2019-2020. Operating grants and contributions increased $770,978 or 3.97% compared to 2018-2019.

Ad Valorem Taxes - Ad valorem taxes collected for general and specific purposes were $12.1 million for 2019-2020. Property taxes increased $410,665 or 3.49% compared to 2018-2019.

Sales Taxes - Sales tax collections were $12.0 million during the 2019-2020 fiscal year. This amount includes an additional one-half cent sales tax that became effective in 2004. This new source of revenue is dedicated exclusively to salaries and benefits for employees and is accounted for in a separate fund. The first amount distribution of excess accumulations was made in 2006 and continues to be made each year in January. Sales tax revenue collections decreased in the 2019-2020 fiscal year by $715,854, or 5.61%%, from 2018-2019 operations.

Interest - Interest rates remained relatively stable in the 2019-2020 fiscal year. Interest and investment earnings totaled $238,783, which is a 4.37% increase compared to 2018-2019.

Rentals, Leases and Royalties - 16th section revenues, which include oil and gas royalties, as well as revenues from agricultural crops, decreased over the 2018-2019 fiscal year by $50,940 or a 10.6% decrease, totaling $428,132 for the 2019-2020 fiscal year.

The expenses of the School Board, as reported in the statement of activities, were $134.1 million in 2019-2020. The major expense components are as follows:

Salaries and Related Benefits - Salaries and related benefits for active employees continue to be the School Board's largest expense items. Payments for salaries and related benefits account for $68.0 million, or 50.7% of total expenses in 2019-2020. Comparatively, this is a $3 million increase from 2018-2019, or an increase of 5.2%. The increase is largely the result of adjustments related to the recording of pension expense and the related pension liabilities in the government wide financial statements in the amount of $4 million.

The School Board contributes over 65% of the cost of group health insurance rates for retired employees. The cost of covering retired employees was $3.8 million, an increase of $500,154 from 2018-2019. Including the OPEB adjustment of $37.8 million, retiree benefits accounted for 31.10% of total operating costs in 2019-2020.

Capital Projects – During the fiscal year, the School Board made capital investments for a total of approximately $4.6 million in 2020 and $2.1 million in 2019. In 2020, the School Board purchased some land, completed some classrooms, and performed various renovations.

USING THIS FINANCIAL REPORT

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

The statement of net position and the statement of activities provide information about the activities of the School Board as a whole and present a longer term view of the School Board's finances. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the School Board. These statements provide more detail than the government-wide financial statements about the services that were financed in the short-term as well as what remains for future spending in the School Board's more significant funds as well as all other nonmajor funds. The General Fund is the School Board's most significant fund.

REPORTING THE SCHOOL BOARD AS A WHOLE

Statement of Net Position and the Statement of Activities

The statement of net position and the statement of activities report information about the School Board as a whole and its activities in a way to try to inform the reader as to how the School Board did financially during the fiscal year. In short, is the School Board better off financially or is it worse off financially than it was this time last year? These statements report all assets and liabilities of the School Board on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

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

The statement of net position and the statement of activities report the governmental activities of the School Board. Most of the School Board's programs and services are reported here including instruction, support services, operating and maintenance of plant, student transportation, and child nutrition program.

REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the School Board's major fund begins on page 22. Fund financial statements provide detailed information about the School Board's major fund. The School Board uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School Boards' most significant funds. The School Board's only major governmental fund for the 2019-2020 fiscal year is the General Fund.

The School Board's nonmajor governmental funds for the 2020 fiscal year are the Special Federal Funds Fund, the No Child Left Behind Fund, the Special Education Fund, the State Programs Fund, the School Lunch Fund, and the Headstart Fund.

Governmental Funds

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

THE SCHOOL BOARD AS TRUSTEE

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its School Activity Fund and the Sales Tax Fund. All of the School Board's fiduciary activities are reported in a separate comparative statement of asset and liabilities, accompanied by supporting schedules on page 94 through 96. These activities have been excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The School Board as a Whole

$6 million of the $307.5 million deficit in net position at June 30, 2020 were restricted. Restricted net position is reported separately to show legal constraints from trust and debt covenants and enabling legislation that limit the School Board's ability to use those funds for day-to-day operations. The following analysis focuses on the net position (Table 1) and change in net position (Table 2) of the School Board's governmental activities.

Table 1
Governmental Activities
Statement of Net Position
June 30, 2020
(With Comparative Totals for June 30, 2019)

	2020	2019
Assets:		
Current and other assets	$ 42,626,595	$ 41,294,105
Capital assets	31,045,044	29,646,026
Total assets	$ 73,671,639	$ 70,940,131
Deferred outflows of resources	$ 105,461,495	$ 53,452,725
Liabilities:		
Current and other liabilities	$ 13,765,647	$ 13,304,631
Long-term liabilities	459,025,775	372,220,541
Total liabilities	$ 472,791,422	$ 385,525,172
Deferred inflows of resources	$ 13,850,113	$ 15,385,355
Net position:		
Net investment in capital assets	$ 30,372,103	$ 28,655,828
Restricted	6,048,545	6,124,978
Unrestricted	(343,929,049)	(311,298,477)
Total net position	$(307,508,401)	$(276,517,671)

The deficit of $343.9 million in unrestricted net position represents the accumulated results of all past years' operations. The results of this year's operations for the School Board as a whole are reported in the statement of activities on page 18. Table 2 reports the information from the statement of activities in a different format so that total revenue for the year can be more easily identifiable.

Table 2
Governmental Activities
Changes in Net Position
Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	2020	2019
Revenues:		
Program revenues-		
Charges for services	$ 896,898	$ 837,831
Operating grants and contributions	20,197,250	19,426,272
General revenues-		
Ad valorem taxes	12,175,208	11,764,543
Sales taxes	12,042,181	12,758,035
State equalization	56,021,506	53,502,120
Other general revenues	1,853,517	1,975,687
Total revenues	$ 103,186,560	$ 100,264,488
Functions/Programs Expenses:		
Instruction-		
Regular programs	$ 59,258,091	$ 49,557,868
Special education programs	9,978,355	8,406,003
Vocational programs	2,550,476	2,014,891
Other instructional programs	485,827	304,390
Special programs	8,859,388	5,148,398
Adult and continuing education programs	52,397	71,370
Support services-		
Pupil support services	8,484,450	6,479,753
Instructional staff support services	5,397,892	4,558,222
General administration	2,640,226	2,480,083
School administration	8,051,001	6,574,036
Business services	1,292,780	1,208,479
Plant services	7,747,626	7,648,317
Student transportation services	5,943,762	5,578,870
Central services	1,344,605	1,011,263
Food services	8,261,010	7,078,217
Facilities acquisition and construction	3,442,244	2,519,250
Community service programs	302,337	530,164
Debt service-		
Interest on long-term obligations	84,823	99,726
Total expenses	$ 134,177,290	$ 111,269,300
Total net position	$(30,990,730)	$ (11,004,812)

Program revenues and general revenues totaled $21.1 million and $82.1 million, respectively, in the 2019-2020 fiscal year, compared to $20.3 million and $80.0 million, respectively, in 2018-2019.

Instruction, support services and debt service expenses totaled $81.2 million, $52.9 million and $.08 million, respectively, in the 2019-2020 fiscal year compared to $65.5 million, $45.7 million and $0.09 million, respectively in 2018-2019.

Governmental Activities

As reported in the statement of activities on page 18, the net cost of governmental activities this year was $113.1 million. The taxpayers in the Parish provided $24.2 million in ad valorem and sales tax revenues to help meet the total cost of governmental activities. The state contributed $55.9 million through the MFP, which is the main funding source for the School Board. The balance of the cost of governmental activities for the year was provided through state and Federal grants.

Table 3 presents the total cost of each of the School Board's five largest functions - regular programs, special education programs, pupil support services, plant 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 those functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Governmental Activities
Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Regular programs	$ 59,258,091	$ 49,557,868	$ 59,103,499	$ 48,386,579
Special education programs	9,978,355	8,406,003	9,273,415	7,514,096
Pupil support services	8,484,450	6,479,753	5,769,179	4,143,803
Plant services	7,747,626	7,648,317	7,271,716	7,287,319
Food services	8,261,010	7,078,217	2,189,873	(215,537)
Subtotal	$ 93,729,532	$ 79,170,158	$ 83,607,682	$ 67,116,260
All others	40,447,758	32,099,142	29,475,460	23,888,937
Total	$134,177,290	$111,269,300	$113,083,142	$ 91,005,197

The School Board Funds

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

General Fund - The General Fund is the School Board's only major fund. The General Fund's fund balance increased by $1.4 million, to $26.4 million at June 30, 2020 from $25.0 million at June 30, 2019. This represents a 5.62% increase in fund balance. In the previous year, the fund balance increased by $1.1 million or 4.5%. Ad valorem tax increased $410,665 or 3.49%. We continue to rely on other funding sources, when available, to enhance the educational opportunities provided through our General Fund. Unassigned fund balance was $3.5 million at June 30, 2020 in the General Fund.

Non-Major Governmental Funds - The nonmajor funds' fund balances were generally stable.

General Fund Budgetary Highlights

The School Board, in accordance with state law, must adopt a budget on the General Fund and all Special Revenue Funds prior to September 15 of each year. In accordance with state law, the School Board may have variances of 5% of total revenues or expenditures in a fund before it is legally required to amend the budget. The School Board adopted its 2019-2020 budget on July 1, 2019. The original budgeted revenues increased by 0.18% or $152,263 from $82.6 million to $82.8 million. The major change in budgeted revenue was an increase in ad valorem tax. The budgeted expenditures decreased from the original budget to the final budget by $1 million or 1.28%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

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

At June 30, 2020, the School Board had $31 million invested in land, buildings and improvements and furniture and equipment and construction in progress, net of depreciation. Net capital assets increased by $1.4 million, or 4.72% during the current fiscal year. In accordance with State guidelines, effective with the 2002-2003 fiscal year, items costing less than $1,000 are considered supplies, items costing between $1,000 and $5,000 are tagged and tracked, and items costing $5,000 and more are capitalized. Table 4 presents capital assets net of depreciation at June 30, 2020.

Table 4
Governmental Activities
Capital Assets at Year End
Net of Depreciation
Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	2020	2019
Land	$ 1,284,759	$ 1,168,245
Buildings and improvements	22,856,938	21,613,844
Furniture and equipment	6,413,779	6,695,325
Construction in progress	489,568	168,612
Total	$ 31,045,044	$ 29,646,026

Debt

At June 30, 2020, the School Board had $6.3 million in taxable certificates of indebtedness (Qualified Zone Academy Bond Program [QZAB] and Qualified School Construction Bonds [QSCB]) and $.7 million in obligations under capital leases. Of the amount outstanding, $.9 million is due within one year. Table 5 summarizes bonds and capital leases outstanding at June 30, 2020.

Table 5
Governmental Activities
Outstanding Debt
Year Ended June 30, 2020
(With Comparative Totals for June 30, 2019)

	2020	2019
Taxable Certificates of Indebtedness:		
Qualified Zone Academy Bond (QZAB)	$ 5,303,575	$ 5,718,974
Qualified School Construction Bonds (QSCB)	1,000,000	1,200,000
Obligations under capital lease	672,941	990,198
Total	$ 6,976,516	$ 7,909,172

The state limits the amount of general obligation debt that school boards can issue to 35% of the assessed value of all taxable property within the school board's corporate limits. At June 30, 2020, the School Board's maximum legal debt limit was $140.8 million. The District's outstanding general obligation bonded debt of $6.3 million is well below the maximum debt limit. Other long-term obligations of the School Board include accrued vacation pay and sick leave, the obligation for post-retirement benefits and the proportionate share of the state pension plans the School Board participates. We present more detailed information about our long-term obligations in Note 7 to the basic financial statements.

FOR THE FUTURE

The School Board's General Fund unassigned fund balance has increased $1,233,615. The surplus is largely attributable to the system wide mandatory school closure from March through June of 2020 due to the COVID-19 pandemic. At the end of the 2019-2020 fiscal year, the General Fund's fund balance is 30.1% of the 2019-2020 final budgeted expenditures. The School Board is anticipating continued minimum increases in property tax and stagnant funding from the state. Sales tax collections are expected to remain flat but we have seen a slight increase in collections recently.

The School Board's share of group health insurance for active and retired employees increased slightly over the previous year. Employer's contributions for state-sponsored plans costs remained stable in the current year. The costs of retirement contributions averaged 25.01% of payroll during the 2019-2020 year, as opposed to 26.8% in 2018-2019.

The School Board adopted a "vesting" schedule for its contribution toward retirees insurance, upon an employee's retirement to curtail some costs. The employer's share of health insurance will be commensurate with the years of coverage during employment. This change became effective July 1, 2007.

Other concerns include increasing energy and maintenance costs as buildings continue to age as well as increases in property insurance and health insurance.

For the 2020-2021 year, no state and local pay increases are anticipated.

Initiatives of the Acadia Parish School Board for 2020-2021 include: (1) continued focus on district-wide Tier 1 curricular implementation in English Language Arts, Mathematics, Social Studies, and Science; (2) other curricular adjustments to better align instruction in the parish to the more rigorous LEAP 2025 statewide assessments.

The School Board has budgeted to continue its supplemental pay distribution in November of 2020 for support personnel and in December 2020, January 2021, and June 2021 for all employees.

Although we have some concerns about increasing expenditures in certain areas, overall, we feel that the future of the School Board is steady, both financially and educationally.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the revenue it receives. If you have questions about this report or need additional financial information, contact Justin Carrier, Chief Financial Officer, Acadia Parish School Board, Post Office Box 309, Crowley, Louisiana, 70527.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

Exhibit A

ACADIA PARISH SCHOOL BOARD

STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
June 30, 2020

ASSETS	
Cash	$ 19,854,970
Certificates of deposit	10,417,614
Investments	4,949,374
Receivables	5,772,628
Due from external parties	543,445
Inventories	938,564
Prepaid expenses	150,000
Capital assets, net	31,045,044
Total assets	$ 73,671,639
DEFERRED OUTFLOWS OF RESOURCES	
Pension contributions subsequent to plan measurement	$ 11,724,514
Change in assumptions	72,051,698
Difference between expected and actual experience	16,097,158
Difference between expected and actual employer contributions to pension plans	1,857,800
Total deferred outflows of resources	$101,731,170
LIABILITIES	
Accounts, salaries and other payables	$ 10,950,561
Unearned revenue	681,718
Interest payable	43,509
Long-term liabilities:	
Due within one year	2,089,859
Due in more than one year	459,025,775
Total liabilities	$472,791,422
DEFERRED INFLOWS OF RESOURCES	
Difference between expected and actual earnings	$ 2,920,937
Change in proportionate share of pension plans from prior year	7,198,851
Total deferred inflows of resources	$ 10,119,788

(continued)

ACADIA PARISH SCHOOL BOARD

STATEMENT OF NET POSITION (CONTINUED)
GOVERNMENTAL ACTIVITIES
June 30, 2020

NET POSITION	
Net investment in capital assets	$ 30,372,103
Restricted for:	
Sales tax supplement	1,611,864
Special purposes	2,552,801
Insurance	1,007,839
Workers compensation	876,041
Unrestricted (deficit)	(343,929,049)
Total net position (deficit)	$(307,508,401)

See Notes to Financial Statements.

Exhibit B

ACADIA PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:				
Instruction -				
Regular programs	$ 59,258,091	$ -	$ 154,592	$ (59,103,499)
Special education programs	9,978,355	-	704,940	(9,273,415)
Vocational education programs	2,550,476	-	125,261	(2,425,215)
Other instructional programs	485,827	-	77,172	(408,655)
Special programs	8,859,388	-	7,050,607	(1,808,781)
Adult and continuing education programs	52,397	-	-	(52,397)
Support services -				
Pupil support services	8,484,450	790,154	1,925,117	(5,769,179)
Instructional staff support services	5,397,892	-	1,526,097	(3,871,795)
General administration	2,640,226	-	1,113,201	(1,527,025)
School administration	8,051,001	-	203,796	(7,847,205)
Business services	1,292,780	-	120,274	(1,172,506)
Operation and maintenance of plant services	7,747,626	45,283	430,627	(7,271,716)
Student transportation services	5,943,762	-	445,607	(5,498,155)
Central services	1,344,605	-	112,197	(1,232,408)
Non-instructional services -				
Food services	8,261,010	61,461	6,009,676	(2,189,873)
Community service programs	302,337	-	198,086	(104,251)
Facilities acquisition and construction	3,442,244	-	-	(3,442,244)
Interest on long-term debt	84,823	-	-	(84,823)
Total governmental activities	$134,177,290	$ 896,898	$ 20,197,250	$(113,083,142)

Taxes:	
Ad valorem taxes, levied for -	
General purposes	$ 10,243,869
Special purposes	1,931,339
Sales and use taxes levied for -	
General purposes	8,028,056
Special purposes	4,014,125
Sales and use taxes collection fees	401,113
State revenue sharing	253,308
Grants and contributions not restricted to specific programs -	
State source – Minimum Foundation Program	55,917,607
State source – Other programs	103,899
Interest and investment earnings	238,783
Miscellaneous	968,032
Loss on disposal of capital assets	(7,719)
Total general revenues	$ 82,092,412
Change in net position	$ (30,990,730)
Net position, beginning	(276,517,671)
Net position, ending	$(307,508,401)

See Notes to Financial Statements.

FUND FINANCIAL STATEMENTS

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MAJOR FUND DESCRIPTION

GENERAL FUND - The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Exhibit C

ACADIA PARISH SCHOOL BOARD

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

ASSETS	General Fund	Other Governmental Funds	Total
Cash and equity in pooled cash	$ 20,557,797	$ 2,728,767	$ 23,286,564
Certificates of deposit	10,417,614	-	10,417,614
Investments	4,949,374	-	4,949,374
Receivables	406,293	4,091,640	4,497,933
Due from other funds	543,445	-	543,445
Inventories	227,765	710,799	938,564
Prepaid expenses and other assets	150,000	-	150,000
Total assets	$ 37,252,288	$ 7,531,206	$ 44,783,494
LIABILITIES AND FUND BALANCES			
Liabilities:			
Pooled cash deficit	$ -	$ 3,431,594	$ 3,431,594
Accounts payable	1,380,979	115,270	1,496,249
Accrued salaries and related benefits	8,695,652	720,742	9,416,394
Unearned revenue	681,718	-	681,718
Other payables	37,918	-	37,918
Total liabilities	$ 10,796,267	$ 4,267,606	$ 15,063,873
Fund balances:			
Nonspendable -			
Inventory	$ 227,765	$ 710,799	$ 938,564
Prepaid expenses	150,000	-	150,000
Restricted for -			
Sales tax supplement	1,611,864	-	1,611,864
Special purposes	-	2,552,801	2,552,801
Insurance	1,007,839	-	1,007,839
Workers compensation	876,041	-	876,041
Committed for -			
Operations	8,050,000	-	8,050,000
Pay supplements	6,000,000	-	6,000,000
Debt service	3,000,000	-	3,000,000
Roof repairs	1,309,746	-	1,309,746
Capital improvements	500,000	-	500,000
Transportation	250,000	-	250,000
Unassigned	3,472,766	-	3,472,766
Total fund balances	$ 26,456,021	$ 3,263,600	$ 29,719,621
Total liabilities and fund balance	$ 37,252,288	$ 7,531,206	$ 44,783,494

See Notes to Financial Statements.

Exhibit D

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2020

Total fund balances for governmental funds at June 30, 2020		$ 29,719,621
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land and construction in progress	$ 1,774,327	
Buildings and improvements, net of $49,043,909 accumulated depreciation	22,856,938	
Furniture and equipment, net of $9,821,338 accumulated depreciation	6,413,779	31,045,044
Long-term labilities at June 30, 2020:		
Bonds payable	$ (6,303,576)	
Equipment capital lease	(672,941)	
Accrued interest payable	(43,509)	
Compensated absences payable	(4,823,549)	
Workers compensation claims payable	(1,627,178)	
Net OPEB obligation payable	(355,351,965)	
Net pension liabilities	(92,336,426)	(461,159,144)
Sales taxes which are not "measured" at year end and, therefore, are not available soon enough to pay for current period expenditures		1,274,696
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Pension contributions subsequent to plan measurement	$ 11,724,514	
Changes in assumptions	72,051,698	
Difference between expected and actual experience	16,097,158	
Difference between actual and projected earnings	(2,920,937)	
Difference between expected and actual contributions, net	1,857,800	
Change in proportionate share of pension plans from prior year, net	(7,198,851)	91,611,382
Net position at June 30, 2020		$ (307,508,401)

See Notes to Financial Statements.

Exhibit E

ACADIA PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2020

	General Fund	Other Governmental Funds	Total
Revenues:			
Local sources -			
Ad valorem taxes	$ 12,175,208	$ -	$ 12,175,208
Sales taxes	12,427,018	-	12,427,018
Sales tax fees	413,449	-	413,449
Other	2,126,533	-	2,126,533
Total local sources	$ 27,142,208	$ -	$ 27,142,208
State sources	56,274,814	1,822,541	58,097,355
Federal source	-	18,374,709	18,374,709
Other sources	-	851,615	851,615
Total revenues	$ 83,417,022	$ 21,048,865	$104,465,887
Expenditures:			
Current -			
Instruction:			
Regular programs	$ 41,261,226	$ 154,592	$ 41,415,818
Special education programs	6,403,282	704,940	7,108,222
Vocational education programs	1,751,020	125,261	1,876,281
Other instructional programs	254,069	77,172	331,241
Special programs	153,780	6,740,645	6,894,425
Adult and continuing education programs	31,786	-	31,786
Support services:			
Pupil support services	3,924,900	1,925,117	5,850,017
Instructional staff support services	2,377,462	1,526,097	3,903,559
General administration	1,367,973	238,766	1,606,739
School administration	5,401,308	203,796	5,605,104
Business services	801,499	120,274	921,773
Operation and maintenance of services	8,499,825	430,627	8,930,452
Student transportation services	4,902,652	445,607	5,348,259
Central services	832,046	112,197	944,243
Non-instructional services:			
Food services	431,829	6,529,827	6,961,656
Community service programs	11,500	198,086	209,586
Facilities acquisition and services	2,434,441	-	2,434,441
Indirect cost	-	874,435	874,435
In-kind	-	790,154	790,154
Debt service -			
Principal retirement	932,656	-	932,656
Interest and fiscal charges	88,629	-	88,629
Total expenditures	$ 81,861,883	$ 21,197,593	$103,059,476

(continued)

ACADIA PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
Year Ended June 30, 2020

	General Fund	Other Governmental Funds	Total
Excess (deficiency) of revenues over expenditures	$ 1,555,139	$ (148,728)	$ 1,406,411
Other financing sources (uses):			
Proceeds from sale of assets and insurance claims	$ 7,883	$ 1,723	$ 9,606
Transfers in	-	154,209	154,209
Transfers out	(154,209)	-	(154,209)
Total other financing sources (uses)	$ (146,326)	$ 155,932	$ 9,606
Net change in fund balances	$ 1,408,813	$ 7,204	$ 1,416,017
Fund balances, beginning	25,047,208	3,256,396	28,303,604
Fund balances, ending	$ 26,456,021	$ 3,263,600	$ 29,719,621

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

Total net change in fund balances for the year ended at June 30, 2020 per statement of revenues, expenditures and changes in fund balances.		$ 1,416,017
Add: Facilities acquisition and constructions costs which are considered as expenditures on statement of revenues, expenditures and changes in fund balance.	$ 4,615,242	
Less: Disposals of capital assets	(17,325)	
Less: Depreciation expense for year ended June 30, 2020.	(3,198,899)	1,399,018
Add: Long-term debt retirement considered as an expenditure on Statement of revenues, expenditures and changes in fund balance.		932,656
Add: School Districts pension contributions for fiscal year ended June 30, 2020.	$ 12,473,193	
Less: Cost of benefits earned net of employee contributions (pension expense).	(8,773,310)	3,699,883
Less: Increase in compensated absences for the year ended June 30, 2020.		(211,729)
Less: Increase in net OPEB obligation at June 30, 2020.		(37,848,467)
Add: Excess of insurance claims incurred over claims paid.		7,819
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis.		3,806
Less: Net sales tax revenues which are collected several months after year end and are not considered available in the governmental funds.		(389,733)
Total change in net position for the year ended June 30, 2020 per statement of activities		$ (30,990,730)

See Notes to Financial Statements.

ACADIA PARISH SCHOOL BOARD

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020

ASSETS	
Cash and equity in pooled cash	\$ 3,936,041
LIABILITIES	
Accounts payable	\$ 1,386,589
Due to other funds	543,445
Accrued interest payable	2,180
Deposits due to others	2,003,827
Total liabilities	\$ 3,936,041

See Notes to Financial Statements.

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Note 1. Summary of Significant Accounting Policies

The financial statements of the Acadia Parish School Board (the "School Board") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governments. The Governmental Accounting Standards Board (GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the School Board are described below.

Financial reporting entity:

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

The School Board operates 26 schools within the parish with a total enrollment of 9,345 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

Basic financial statements:

The basic financial statements include both government-wide financial statements (based on the School Board as a whole) and fund financial statements. In the government-wide statement of net position, the governmental activities (a) are presented on a consolidated basis, and (b) are reflected on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation:

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measureable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property, franchise, sales and hotel occupancy taxes, and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measureable and available only when the government receives cash.

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

a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and

b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The School Board reports the following major governmental fund:

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

Additionally, the School Board reports the following fund types:

Special Revenue Funds - Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Fiduciary Funds - Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the School Board. The funds accounted for in this category by the School Board are the agency funds. The agency funds are as follows:

School Activity Fund - Accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales Tax Fund - Accounts for monies collected on behalf of other taxing authorities within the parish.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When fund balance resources are available for a specific purpose in more than one classification, it is the School Board's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Indirect expenses -

Indirect expenses not allocated to functions are reported separately in the statement of activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Revenues -

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

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

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

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

Substantially, all other revenues are recorded when received.

Expenditures -

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a 12 month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due.

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

Other financial sources (uses) -

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

Unearned revenues -

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

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

Assets, deferred outflows, liabilities, deferred inflows and equity:

Cash -

For purposes of the statement of net position, cash includes all demand accounts, savings accounts, and certificates of deposits of the School Board with an original maturity of three months or less from the date of acquisition.

Investments -

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

Fair value measurements -

Investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 - investments reflect prices quoted in active markets.

Level 2 - investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 – investments reflect prices based upon unobservable sources.

The categorization of investments with the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified as Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Investments classified as Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Investments classified as Level 3 are valued based upon unobservable sources.

Interfund receivables and payables -

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

Receivables -

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

Inventories -

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

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

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventories are recorded as expenses when consumed. Commodities inventory at year end is recorded as deferred revenue. All inventory items purchased are valued at the lower of cost or market (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

Capital assets -

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

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

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

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

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

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

Compensated absences -

All 12-month employees earn 5 to 15 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated up to a maximum of 40 days. Upon retirement or termination of employment, the employee may choose to be paid for any unused accumulated vacation days or may convert such unused accumulated vacation leave to service credit for retirement purposes if allowed by the retirement system.

All employees earn up to 10 days of sick leave each year, depending on the number of months of the school year they are employed by the School Board. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 45 days is paid to employees (or heirs) at the employee's current rate of pay. Under the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System, the total unused accumulated sick leave, including the 45 days paid, is used in the retirement benefit computation as earned service. Under the Teachers' Retirement System of Louisiana, and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 45 days paid, is used in the retirement benefit computation as earned service.

Act 1341 of 1999 changed the extended sick leave (gayle pay) regulations for public school employees. The Act provides that if teachers and school bus operators have no remaining sick leave, they are allowed up to 90 days extended sick leave in a six year period. During these 90 days, the employee is paid 65% of their pay at the time that the leave begins.

Act 1342 of 1999 changed the sabbatical leave regulation. The Act allows both sabbatical medical leave and professional and cultural development sabbatical for teachers. It provides for two sabbatical semesters immediately following 12 or more consecutive semesters of consecutive service or one semester immediately following six semesters of consecutive service. Sabbatical medical leave may be granted if the teacher's regular sick leave balance is 45 days or less at the beginning of the sabbatical. No more than 5% of the work force can be on sabbatical at the same time. During sabbatical, the employee is paid 65% of their pay at the time the leave begins.

In the government-wide statements, the School Board accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. No compensated absences liability is recorded in the governmental fund financial statements.

Long-term debt –

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

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable, capital leases, accrued compensated absences, workers' compensation claims payable, post-retirement health care and life insurance benefits obligation and pension liabilities. For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond.

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

For the purposes of measuring the net Post-Retirement Health Care and Life Insurance Benefits (OPEB): liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Acadia Parish School Board Retiree Medical Plan (School Board OPEB Fund) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by School Board OPEB Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the three state retirement plans School Board employees participate, Teachers' Retirement System of Louisiana (TRSL), Louisiana School Employees' Retirement System (LSERS) and Louisiana State Employees Retirement System (LASERS), and additions to/deductions from the respective plans' fiduciary net position have been determined on the same basis as they are reported by the 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.

Equity classifications -

In the government-wide statements, equity is classified as net position and displayed in three components:

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

b. Restricted net position - Consists of net position with constraints place on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. At June 30, 2020, the School Board reported $6,048,545 of restricted net position.

c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in a spendable form (such as inventory and prepaid) or are required to be maintained intact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

- Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Budget practices:

The proposed budget for 2020 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2020 budget on July 1, 2019. In accordance with R.S.17:88(A), parish school boards must adopt the budget no later than September 15 of each year. The budget, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds was published in the official journal 10 days prior to the public hearing. The budgets for the General and Special Revenue Funds for the fiscal year 2020 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds. The Superintendent and/or Assistant Superintendents are authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by 5% or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by 5% or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Actual expenditures in the General Fund were under the final budgeted amounts by $129.646 for the year ended June 30, 2020, which is well below the requirement.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized for the General Fund and Special Revenue Funds. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbered appropriations lapse at the close of the fiscal year but are appropriately provided for in the subsequent year's budget.

Revenue restrictions:

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

Revenue Source	Legal Restrictions on Use
Ad valorem taxes	See Note 3
Sales taxes	See Note 8

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

Capitalization of interest expense:

It is the policy of the School Board to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. At June 30, 2020, there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

Use of estimates:

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

Interfund transfers:

Permanent reallocation of resources between funds is classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual funds have been eliminated.

Impairments:

The School Board evaluates long-term assets to be held and used for impairment when events or changes in economic circumstances indicate the carrying value of such assets may be unrecoverable. The School Board uses an estimate of the future undisclosed net cash flows to measure whether the assets are recoverable and measured for impairment by reference to fair value. Fair value is generally estimated using the School Board's expectations of discounted net cash flows. Long-term assets to be disposed of are carried at the lower of cost or fair value less the costs of disposal.

Note 2. Cash and Investments

Cash and cash equivalents:

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

The School Board consolidates cash into a pooled cash account. Each fund's equity (deficit) in the pooled cash accounts as of June 30, 2020 is as follows:

Total pooled cash in bank	$ 19,854,636
General Fund	$ 20,554,437
State Programs	793,295
Special Education	(255,753)
No Child Left Behind	(2,958,867)
Headstart	(200,218)
Special Federal Funds	(16,756)
School Lunch Fund	1,935,472
Sales Tax	3,026
Total pooled cash by fund	$ 19,854,636

At June 30, 2020, the School Board has cash and cash equivalents (book balances) totaling $23,791,111 as follows:

	Governmental Activities	Fiduciary Funds	Total
Demand deposits	$ 19,854,820	$ 3,634,932	$ 23,489,752
Interest-bearing accounts	-	301,109	301,109
Petty cash	150	-	150
Total	$ 19,854,970	$ 3,936,041	$ 23,791,011

Certificates of Deposit:

At June 30, 2020, the School Board's interest bearing certificates of deposit, held in the General Fund, totaled $10,417,613, which had interest rates from .70% to 2.84%.

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

As of June 30, 2020, the School Board's total bank balances were fully insured and collateralized with securities held in the name of the School Board by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk. Of the bank balances $2,000,000 was secured from risk by federal deposit insurance and the remainder by pledged securities held by the custodial banks in the name of the fiscal agent bank (GASB Category 3).

Investments:

The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the State of Louisiana, which operates a local government investment pool.

The School Board participates in LAMP. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

LAMP participates' investments in the pool are evidence by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool, therefore, no disclosure is required. Credit risk is the risk that the issuer or other counterparty to an investment will be unable to meet its obligations. LAMP is rated AAAm by Standard & Poor's. Inherent rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of the investment. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

The investment in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

In 1999, the Louisiana State Legislature created the Millennium Trust to provide for the disposition of proceeds from the tobacco settlement. The same legislation that created the Millennium Trust, Louisiana Revised Statute (LRS):39:98.1-98.5, also established the Education Excellence Fund (EEF) as a component of the Millennium Trust. The Louisiana Department of Education (LDOE) is responsible for providing the appropriations and oversight of monies from the Education Excellence Fund with the specific purpose of ensuring that all expenditures are used to support "excellence in educational practice." The Millennium Trust Fund is invested by the Louisiana State Treasurer. The School Board has been participating in the Education Excellence Fund since 2003.

The School Board has reported their investments at fair value on June 30, 2020. Fair value was determined by obtaining "quoted" year-end market prices.

Credit rate risk: The credit rate risk of the governmental funds investments is managed by restricting investments to those authorized by R.S. 33:5162.

Concentration of credit risk: R.S. 33:5162 provides that all fixed income investments be appropriately diversified by maturity, security, sector, and credit quality. At June 30, 2020, no more than 5 percent of the governmental fund's total investments were investments in any single issue.

As of June 30, 2020, the School Board's fair value measurements were classified as follows:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using: Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Identical Other Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value
Louisiana Asset Management Pool	$2,104,656	$ -	$ -	$ -	$ 2,104,656
Government Securities	2,163,000	2,163,000	-	-	-
Education Excellence Fund	681,718	-	681,718	-	-
Total Investments	$4,949,374	$2,163,000	$ 681,718	$ -	$ 2,104,656

Note 3. Ad Valorem Taxes

The following ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2020, taxes were levied by the School Board in July 2019 and were billed to taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions.

For the year ended June 30, 2020, taxes were levied on property with net assessed valuations totaling $402,278,345 for the parish wide taxes and an aggregate of $186,657,835, collectively, for the school districts and were dedicated as follows:

Parish wide taxes:	
Constitutional	5.23 mills
Maintenance	15.28 mills
School Tax	5.10 mills
Total General Fund	25.61 mills
School District No. 7 (5th Ward) – maintenance	13.45 mills
School District No. 8 (Iota-Egan) – maintenance	10.00 mills
School District No. 6 (Church Point) – additional funding	10.00 mills
Total assessment	59.06 mills

Taxes levied for the current fiscal year, net of homestead exemptions, totaled $12,248,073. After deductions for various pension distributions and uncollectible taxes and additional collections of past due taxes from prior years, net taxes remitted to the School Board amounted to $12,158,969.

Note 4. Receivables

Receivables at June 30, 2020 of $5,772,628 consisted of the following:

Grants	$ 4,091,640
Sales taxes	1,274,695
Accrued interest	47,788
Other	358,505
Total receivables	$ 5,772,628

Note 5. Capital Assets

Capital asset balances and activity for the year ended June 30, 2020 is as follows:

	Beginning Balance	Additions/ (Transfers)	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,168,245	$ 116,514	$ -	$ 1,284,759
Construction in progress	168,612	320,956	-	489,568
Other capital assets:				
Building and improvements	69,018,150	2,882,697	-	71,900,847
Furniture and equipment	15,005,545	1,295,075	65,503	16,235,117
Total	$85,360,552	$ 4,615,242	$ 65,503	$89,910,291
Less accumulated depreciation;				
Buildings and improvements	$47,404,306	$ 1,639,603	$ -	$49,043,909
Furniture and equipment	8,310,220	1,559,296	48,178	9,821,338
Total	$55,714,526	$ 3,198,899	$ 48,178	$58,865,247
Net capital assets	$29,646,026	$ 1,416,343	$ 17,325	$31,045,044

Depreciation expense was charged to governmental activities as follows, which includes depreciation expense for assets purchased under a capital lease:

Regular programs	$ 61,421
Special education programs	1,700
Vocational education programs	4,321
Pupil support services	3,032
Operation and maintenance of plant services	421,356
Student transportation services	626,188
Central services	128,977
Food services	127,918
Facility acquisition and construction	1,823,986
Total depreciation expense	$ 3,198,899

Note 6. Accounts, Salaries and Other Payables

At June 30, 2020, accounts, salaries, and other payables of $10,950,561 consisted of the following:

Accrued salaries and related benefits payable	$ 9,416,394
Accounts payable	1,496,249
Other payables	37,918
Total accounts, salaries and other payables	$ 10,950,561

Note 7. Long-Term Liabilities

Long-term debt outstanding at June 30, 2020 is as follows:

Obligations under capital lease for buses, due in monthly installments of $6,421, including interest at 2.6%, maturing September 7, 2022.	$ 162,154
Obligations under capital lease for buses, due in annual installments of $265,706, including interest at 2.68%, maturing May 24, 2022.	510,787
$3,000,000 Certificates of Indebtedness (Taxable Qualified School Construction Bonds – QSCB), Series 2009, due in annual installments of $200,000, plus interest at 0.8%, due October 1, 2024 (to be retired from excess annual revenues).	1,000,000
$7,358,000 Taxable Limited Tax Revenue Bonds (Qualified Zone Academy Bond – QZAB), Series 2014, due September 16, 2031, Interest at 0.95% (to be retired from property tax revenues).	5,303,575
	$ 6,976,516

Other liabilities at June 30, 2020 were comprised of the following components:

Accrued compensated absences	4,823,549
Worker's compensation claims payable	1,627,178
Net OPEB obligation	355,351,965
Proportionate share of pension liabilities:	
Teachers' Retirement System of Louisiana (TRSL)	85,762,770
Louisiana School Employees Retirement System (LSERS)	6,419,846
Louisiana State Employees' Retirement System (LASERS)	153,810
Total long-term liabilities	$ 461,115,634

The long-term debt is due as follows:

Years Ending June 30,	Bonds Payable Principle	Bonds Payable Interest	Capital Lease Obligation Principle	Capital Lease Obligation Interest	Total
2021	$ 619,345	$ 59,184	$ 325,725	$ 17,031	$ 1,021,285
2022	623,329	53,600	334,416	8,337	1,019,682
2023	627,350	47,979	12,800	42	688,171
2024	631,410	42,319	-	-	673,729
2025	635,509	36,620	-	-	672,129
2026 – 2030	2,240,395	109,050	-	-	2,349,445
Thereafter	926,237	13,220	-	-	939,457
Total	$ 6,303,575	$ 361,972	$ 672,941	$ 25,410	$ 7,363,898

Interest cost incurred and charged to expense in the government-wide financial statements for the year ended June 30, 2019 totaled $84,823.

Total costs associated with the capital leases through June 30, 2020 was $1,813,227 and the accumulated depreciation in the amount of $840,944, which was included in capital assets on the government-wide financial statements.

Changes in General Long-Term Liabilities

During the year ended June 30, 2020, the following changes occurred in long-term liabilities transactions and balances:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due In One Year
Qualified School Construction Bond	$ 1,200,000	$ -	$ 200,000	$ 1,000,000	$ 200,000
Qualified Zone Academy Bond, Series 2014	5,718,974	-	415,399	5,303,575	419,345
Obligations Under Capital Leases – Buses	233,972	-	71,818	162,154	73,708
Obligations Under Capital Leases – Buses	756,226	-	245,439	510,787	252,017
Accrued compensated absences	4,611,820	211,729	-	4,823,549	241,178
Worker's compensation claims payable	1,634,997	1,176,881	1,184,700	1,627,178	903,611
Net OPEB Obligation	263,688,853	97,427,977	5,764,865	355,351,965	-
Proportionate share of pension liability:					
TRSL	89,535,817	8,649,035	12,422,082	85,762,770	-
LSERS	6,626,406	982,999	1,189,559	6,419,846	-
LASERS	144,719	29,689	20,598	153,810	-
Total	$374,151,784	$108,478,310	$ 21,514,460	$461,115,634	$ 2,089,859

Compensated absences typically will be liquidated by the General Fund and a few other governmental funds. Workers compensation claims liabilities typically will be liquidated by the General Fund.

All principal interest requirements on the general obligation bonds are funded in accordance with Louisiana law by an annual ad valorem tax levy on taxable property within the parish.

Note 8. Sales and Use Taxes

The School Board is authorized to collect within the parish a 1% sales and use tax. The proceeds of the tax are dedicated to supplement salaries of teachers, school bus operators, and the expenditures of operating the schools, including salaries of other personnel. Also, effective October 1, 2004, the School Board is authorized to collect within the parish an additional one-half cent sales tax to supplement salaries and benefits of employees.

The sales tax department of the School Board is also authorized to collect sales and use taxes levied by various municipalities located in Acadia Parish. The municipalities pay the School Board a 1-1/2% fee for collecting their sales and use taxes. The collection and distribution of the above sales taxes are accounted for in the Sales Tax Agency Fund.

Note 9. Pension Plans

Substantially, all employees of the School Board are members of one of three statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. Other personnel that don't fall into one of these plans are enrolled in the Louisiana State Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

Teachers' Retirement System of Louisiana (TRSL)

General Information about the Pension Plan

Plan description:

Certain employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Teachers' Retirement System of Louisiana (TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

Benefits provided:

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

Retirement benefits:

1. Normal Retirement

Regular Plan –

Members hired prior to July 1, 1999

2.0% benefit factor	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit
2.5% benefit factor	At least age 65 with at least 20 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 30 years of service credit

Members joining system between July 1, 1999 and December 31, 2010

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

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

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

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

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

Plan A – Plan A is closed to new entrants.

All Plan A members

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

Plan B –

Members hired before July 1, 2015

2.0% benefit factor	At least age 60 with at least 5 years of service credit, or At least age 55 with at least 30 years of service credit

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

2.0% benefit factor	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

Benefit Formula

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

Payment Options

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

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

2. Deferred Retirement Option Program (DROP)

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

Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit.

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

3. Disability Retirement Benefits

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

4. Survivor Benefits

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

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

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

Permanent Benefit Increases/Cost-of-living Adjustments:

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

Optional Retirement Plan (ORP):

The Optional Retirement Plan (ORP) was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement.

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

Contributions:

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2020 are as follows:

2020 TRSL Sub Plan	**Total Employer Contributions**
K-12 Regular Plan, Plan A & B	26.0%
Higher Ed Regular Plan	25.3%
Optional Retirement Plan	**Employer UAL**
2020	22.2%

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

The agency's contractually required composite contribution rate for the year ended June 30, 2020 was 26.0% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were $11,897,185 for the year ended June 30, 2020.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2020, the Employer reported a liability of $85,762,770 for its proportionate share of the Net Pension Liability for the Teachers Retirement System of Louisiana. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Agency's proportion was .86414%, which was a decrease of .04689% from its proportion measured as of June 30, 2018. For the year ended June 30, 2019, the School Board recognized pension expense of $4,819,325.

At June 30, 2020, the Agency reported deferred outflows of resources and deferred inflows of resources related to the Teachers Retirement System of Louisiana pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 2,680,116
Change in assumptions	6,097,045	-
Net difference between projected and actual earnings on pension plan investments	-	3,174,170
Change in proportionate share from prior year	-	6,782,262
Differences between actual employer contributions and expected contributions	2,484,259	-
Employer contributions subsequent to the measurement date	11,705,188	-
	$ 20,286,492	$ 12,636,548

$11,705,188 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:	
2021	$ (1,300,676)
2022	$ (2,921,076)
2023	$ (86,189)
2024	$ 252,697

Actuarial assumptions:

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

Actuarial cost method	Entry Age Normal
Amortization approach	Closed
Actuarial assumptions:	
Expected Remaining Service Lives	5 years
Investment rate of return	7.55% net of investment expenses*
Inflation rate	2.5% per annum
Projected salary increases	3.3% - 4.8% varies depending on duration of service
Cost-of-living adjustments	None
Mortality	Active members – RP-2014 White collar Employee tables, adjusted by 1.010 for males and by 0.997 for females Non-Disabled retiree/inactive members – RP-2014 White collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females. Disability retiree mortality – RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.
Termination and disability	Termination, disability, and retirement assumptions were projected based on a five year (July 1, 2012 – June 30, 2017) experience study of the System's members.

**The investment rate of return used in the actuarial valuation for funding purposes was 7.95% recognizing an additional 40 basis points for the experience account and 10 basis points to offset administrative expenses. Per Act 94 of 2016, noninvestment-related administrative expenses will be directly funded with employer contributions as a percentage of projected payroll.*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.48% for 2019. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	27.0%	4.60%
International equity	19.0%	5.70%
Domestic fixed income	13.0%	1.69%
International fixed income	5.5%	2.10%
Private equity	25.5%	8.67%
Other private assets	10.0%	3.65%

Discount rate:

The discount rate used to measure the total pension liability was 7.55%.

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

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.55%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.55%) or one percentage-point higher (8.55%) than the current rate:

	1.0% Decrease (6.55%)	Current Discount Rate (7.55%)	1.0% Increase (8.55%)
Employer's proportionate share of the net pension liability	$ 114,162,519	$ 85,762,770	$ 61,826,118

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2019 Comprehensive Annual Financial Report at *www.trsl.org*.

Louisiana School Employees' Retirement System (LSERS)

Plan description:

Certain employees of the Parish School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana School Employees' Retirement System (LSERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1001) grants to LSERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LSERS issues a publicly available financial report that can be obtained at www.lsers.net.

Benefits provided:

The following is a description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement benefits:

1. Normal Retirement

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hir date, employer, and job classification. A member whose first employment making him/her eligible for membership in one of Louisiana's state retirement systems occurred on or before June 30, 2010, is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially-reduced benefit, or ten years are creditable service and is at least age 60. A member whose first employment making him/her eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2010 and on or before June 30, 2015, is eligible for normal retirement if he has at least five years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit. A member whose first employment making him/her eligible for membership in one of Louisiana's state retirement system occurred on or after July , 2015, is eligible for normal retirement if he has at least five years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially-reduced benefit.

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation. For members who joined the system on or after July 1, 2006 and whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred on or before June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits, however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation.

For members whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the Plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

2. Disability Benefits

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for regular service retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with 20 or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits.

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

3. Deferred Retirement Option Program (DROP)

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

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

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

3. Initial Benefit Retirement Plan (IBRP)

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

Contributions:

Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actual employer contribution rate for the year ended June 30, 2019 was 29.4%. Contributions to the pension plan from the School Board were $748,679 for the year ended June 30, 2020.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2020, the Employer reported a liability of $6,419,846 for its proportionate share of the Net Pension Liability in the Louisiana School Employees' Retirement System. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Agency's proportion was 1.039633%, which was an increase of .122593% from its proportion measured as of June 30, 2018. For the year ended June 30, 2020, the Agency recognized pension expense of $258,841.

At June 30, 2020, the Agency reported deferred outflows of resources and deferred inflows of resources related to the Louisiana School Employees' Retirement System pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 160,013
Changes in assumptions	186,116	-
Net difference between projected and actual earnings on pension plan investments	246,975	-
Change in proportionate share from prior year	-	426,948
Differences between actual employer contributions and expected contributions	-	626,284
Employer contributions subsequent to the measurement date	748,679	-
	$ 1,181,770	$ 1,213,245

$748,679 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction in pension expense as follows:

Year Ended:	
2021	$ (443,707)
2022	$ (533,105)
2023	$ 112,576
2024	$ 84,082

Actuarial assumptions:

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

Actuarial cost method	Entry Age Normal
Investment rate of return (discount rate)	7.0%, net of plan investment expenses
Inflation rate	2.50% per annum
Mortality	RP-2014 Healthy Annuitant Tables RP-2014 Sex Distinct Employee Tables RP-2014 Sex Distinct Disabled Tables
Expected Remaining Service Life	3 years
Cost-of-living adjustments (COLA)	Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outlined by ACT 399 of 2014.
Salary Increases, including inflation and merit increases	2012-2017 experience study, 3.25%

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation, of 2%, and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return is 7.76%.

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	26%	1.07%
Equity:	39%	2.93%
Alternatives:	17%	1.43%
Real Assets:	6%	.60%
Total	100.00%	

Discount rate:

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

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.00%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate as of June 30, 2019:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Employer's proportionate share of the net pension liability	$ 8,700,178	$ 6,419,846	$ 4,470,482

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2019 Comprehensive Annual Financial Report at www.lsers.net.

Louisiana State Employees' Retirement System (LASERS)

Plan description:

Certain employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits provided:

The following is a description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement benefits:

1. Normal Retirement

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 years of creditable service, and at at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

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

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

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

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

2. Deferred Retirement Option Program (DROP)

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

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

3. Disability Benefits

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

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

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

4. Survivor Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of 20 years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

5. Permanent benefit Increases/Cost-of-living adjustments:

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

Contributions:

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The agency's contractually required composite contribution rate for the year ended June 30, 2019 was 37.90% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were $17,186 for the year ended June 30, 2019.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2020, the Employer reported a liability of $153,810 for its proportionate share of the Net Pension Liability in the Louisiana State Employees' Retirement System. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019 and 2018, the Agency's proportion was .00212%. For the year ended June 30, 2020, the Agency recognized pension expense of $7,305.

At June 30, 2019, the Agency reported deferred outflows of resources and deferred inflows of resources related to the Louisiana State Employees' Retirement System pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	$ 1,318	$ -
Net difference between projected and actual earnings on pension plan investments	6,258	-
Change in proportionate share from prior year	10,359	-
Difference between expected and actual experience	-	320
Differences between actual employer contributions and expected contributions	-	175
Employer contributions subsequent to the measurement date	19,326	-
	$ 37,261	$ 495

$19,326 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:	
2021	$ 15,533
2022	$ (1,547)
2023	$ 1,462
2024	$ 1,992

Actuarial assumptions:

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

Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Expected Remaining Service Lives	2 years
Investment rate of return	7.60% per annum, net of investment expenses*
Inflation rate	2.50% per annum
Mortality	Non-disabled members – Mortality rates based on the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis. Disabled Members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability and Retirement	Termination, disability and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members for 2019
Salary increases	Salary increased were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges from 2.8% - 14.0% depending the specific types of members.
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

**The investment rate of return used in the actuarial valuation for funding purposes was 8.00% recognizing an additional 40 basis points for gain-sharing. The net return available to fund regular plan benefits is 7.60% which is the same as the discount rate.*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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 2.75% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 9.00% for 2019. Best estimates of geometric real rates of return for each major asset class included in the System's target allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Cash	0.24%
Domestic equity	4.83%
International equity	5.83%
Domestic fixed income	2.79%
International fixed income	4.49%
Alternative investments	8.32%
Risk parity	5.06%
Total fund	6.09%

The discount rate used to measure the total pension liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.60%, as well as what the employer's proportionate share of the net pension obligation 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 (6.60%)	Current Discount Rate (7.60%)	1.0% Increase (8.60%)
Employer's proportionate share of the net pension liability	$ 194,127	$ 153,810	$ 144,719

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2019 Comprehensive Annual Financial Report at *www.lasersonline.org*.

Note 10. Post-Retirement Health Care and Life Insurance Benefits

Plan description:

The School Board provides certain continuing health care and life insurance benefits for its retired employees. 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. The plan is a single-employer defined benefit health care plan administered by the School Board. The plan does not issue a publicly available financial report. The membership as of July 1, 2019 (valuation date) includes 696 active participants, 610 retirees, and 374 spouses of current retirees.

Funding policy:

The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 35%) and the School Board (approximately 65%). The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Annual OPEB cost:

The Governmental Accounting Standards Board (GASB) released new accounting standards for public postemployment benefits plans other than pension (OPEB) and participating employers in 2015. These standards, GASB Statements No. 74 and 75 have substantially revised the accounting requirements previously mandated under GASB Statements No. 43 and 45. The most notable change is that the annual required contributions (ARC) has been eliminated and the net OPEB liability will be an item on the employer's financial statement rather than a footnote entry. Changes in the net OPEB liability is recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows or resources depending on the nature of the change.

The following table shows the changes in the net OPEB liability:

Service Cost	$ 8,245,432
Interest on net OPEB obligation	9,417,682
Recognition of economic/demographic gains or losses	8,603,369
Recognition of assumption changes or inputs	17,346,849
OPEB expense	$ 43,613,332
Deferred inflows/outflows:	
Differences between expected and actual experience	$ 65,000,384
Changes in assumptions	(11,185,739)
Benefit payments	(5,764,865)
Increase in OPEB Liability	$ 91,663,112
Net OPEB obligation – beginning of year	263,688,853
Net OPEB obligation – end of year	$355,351,965

At June 30, 2020, the School Board recognized OPEB expense of $43,613,332. At June 30, 2020, the School Board reported deferred inflows of resources and deferred outflows of resources related to the post-retirement health care and life insurance benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 18,937,607
Changes in assumptions	-	65,767,219
	$ -	$ 84,704,826

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

Year Ended:	
2021	$ 25,950,218
2022	$ 24,688,389
2023	$ 18,757,813
2024	$ 15,308,406

Actuarial methods and assumptions:

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the School Board's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical costs inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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

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

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

Economic and Demographic Assumptions are as follows:

Measurement Date: – Benefit liabilities are valued as of July 1, 2019 and measured as of June 30, 2020.

Discount rate for valuing liabilities without prefunding: 2.21% per annum, compounded annually

Compensation increases: 3.0% (including inflation)

Mortality rate:

Pre-retirement: PUB-2010 General Employees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis with healthy annuitant rates after benefit commencement.

Post-retirement: PUB-2010 General Retirees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Disability retirement: PUB-2010 General Disabled Retirees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Survivor: PUB-2010 Contingent Survivors Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Retirement rates: Rates range from 2.3% - 100% depending on age.

Withdrawal rates: Rates range from 4% - 21.6% depending on age of years of service.

Disability rates: Rates range from .01% - .80% depending on age.

Participation assumption: 60% of members are assumed to elect health coverage at retirement. For those that elect coverage it is assumed that they will stay in the same health plan as they were enrolled in as an active participant (if allowed). 30% of members are assumed to elect life insurance at retirement, if eligible.

Marriage assumption: For actives it is assumed that husbands are three years older than their wives and 40% of participants electing spouse coverage at retirement.

Inflation rate: 2.20% per annum, compounded annually.

Health Care Assumptions:

Valuation date is July 1, 2019. Trend was calculated assuming an implied inflation rate of 2.2% per year, and actual premiums. The short-term trend rate for pre-Medicare retirees starts off at 6.5% and for post-Medicare for 6.2% retirees and no longer reflects the ACA Excise Tax effective 2022. No stop-loss recoveries were assumed for retirees. For eligible post-65 retirees, Medicare was assumed to coordinate with the health plan in the "Coordination of Benefits" manner, as described by Health Cost Guidelines.

Discount rate:

The discount rate used to measure the Net OPEB obligation was 2.21%. The discount rate was based on the Bond Buyer's General Obligation 20-Bond Municipal index. The discount rate is the single rate of return that, that when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of (1) the actuarial present value of benefit payments projected to be made in future periods where the plan assets are projected to be sufficient to meet benefits payments, calculated using the Long-Term Expected Rate of Return and (2) the actuarial present value of projected benefit payments not included in (1) using the Municipal bond Rate.

Sensitivity of the School Board's net OPEB obligation to changes in the discount rate

The following presents the School Board's total OPEB obligation calculated using the discount rate of 2.21%, as well as what the total OPEB obligation would be if it were calculated using a discount rate that is one-percentage point lower or one percentage-point higher than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Employer's proportionate share of the net pension liability	$425,047,900	$355,351,965	$301,473,150

Sensitivity of the School Board's net OPEB obligation to changes in the healthcare cost trend rate:

The following presents the School Board's total OPEB obligation calculated using the current healthcare cost trend rates as well as what the School Board's total OPEB obligation would be if it were calculated using trend rates that are one-percentage point lower or one-percentage point higher than the current trend rates.

	1% Decrease	Current Discount	1% Increase
Net OPEB obligation	$295,912,710	$355,351,965	$ 433,733,026

Note 11. Commitments and Contingencies

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

Note 12. Interfund Transactions

Interfund receivables and payables, by fund, at June 30, 2020 are as follows:

	Interfund Receivables	Interfund Payables
Major funds:		
General fund	$ 543,445	$ -
Agency funds:		
Sales tax fund	$ -	$ 543,445
Total	$ 543,445	$ 543,445

The amounts due to the General Fund from the Sales Tax Agency fund is for sales tax collected at year end not remitted to the General Fund.

Transfers consisted of the following at June 30, 2020:

	Transfers In	Transfers Out
Major funds:		
General Fund	$ -	$ 154,209
Nonmajor funds:		
School Lunch Fund	$ 133,996	$ -
State Programs	20,213	-
Total nonmajor funds	$ 154,209	$ -
Total	$ 154,209	$ 154,209

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

Note 13. Risk Management

Commercial insurance coverage:

The School Board purchases commercial insurance for property coverage, general liability, and automobile liability. The deductibles per occurrence are $25,000 for most perils and $50,000 for wind and hail damage, $25,000 for general liability, and $25,000 for automobile liability. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Workers' compensation:

The School Board has established a Workers' Compensation Self-Insurance Program for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. Under the program, the School Board has obtained reinsurance coverage for the excess workers' compensation and employer's liability. The retention for the policy for fiscal year ended June 30, 2020 is $450,000 per occurrence.

At June 30, 2020, the amount of the workers' compensation benefits liability was $1,627,178. This liability is the School Board's best estimate based on available information. Changes in the unpaid claims liability during the last three years ended June 30 are as follows:

	2020	2019	2018
Unpaid claims beginning	$ 1,634,997	$ 1,658,242	$ 1,578,718
Current year claims and changes in estimates	1,176,881	1,084,584	933,459
Claims paid	(1,184,700)	(1,107,829)	(853,935)
Unpaid claims, ending	$ 1,627,178	$ 1,634,997	$ 1,658,242

Note 14. U.S.D.A. Commodities

The School Board receives U.S.D.A. commodities from the U.S. Department of Agriculture. During the year, the School Board received $438,483 in commodities, consumed $398,800 and had an ending inventory balance of $186,041 of commodities in inventory at June 30, 2020. The commodities are reflected in inventory in the School Lunch Fund.

Note 15. Compensation of Board Members

A detail of the compensation paid to individual board members for the year ended June 30, 2020 follows:

James Higginbotham	$ 7,200
Douglas Lacombe	6,000
Delo Hebert	6,000
Milton Simar	6,000
James Proctor	6,000
Ike Richard	6,000
Steven Jones	6,000
Rebecca Atkinson	6,000
Total	$ 49,200

Note 16. Education Excellence Fund

On August 27, 2003, the Joint Education Committee approved the School Board's plans regarding their share of the Millennium Trust Fund, referred to as the Education Excellence Trust Fund. For each fiscal year beginning with the 2006-2007 fiscal year, appropriations shall be made to the State Superintendent of Education and distributed to city, parish, and other local school systems in accordance with the formulas stipulated in the Millennium Trust. Such monies appropriated shall be restricted to expenditures for pre-kindergarten through 12th grade instructional enhancement for students, including early childhood educational programs focused on enhancing the preparation of at-risk children for school, remedial instruction, and assistance to children who fail to achieve the required scores on any test passage of which are required pursuant to state law or rule for advancement to a succeeding grade or other educational programs approved by the legislature. For the year ended June 30, 2020, $681,718 is included in deferred revenue for future expenditure in accordance with the Millennium Trust document.

Note 17. Headstart Funding

At June 30, 2020, the School Board had no Headstart funds available under the current project period which were unexpended.

Note 18. School Board Collections of Sales Taxes on Behalf of Other Taxing Authorities

The School Board collects sales taxes on behalf of other taxing authorities in Acadia Parish. The following schedule discloses those collections on behalf of other taxing authorities and is presented in accordance with Louisiana Revised Statute (R.S.) 24:513B.(3) enacted by ACT 711 of the 2010 Legislative Session.

	Annual Totals – Year Ending June 30, 2020 Tax Periods		
	Total Collections	Collection Costs	Final Distribution
Acadia Parish Police Jury (1.0%)	$ 8,158,666	$ 165,738	$ 7,992,928
Acadia Parish Police Jury (1.0%)	2,694,567	72,043	2,622,524
Acadia Parish Police Jury (0.25%)	993,945	22,447	971,498
	$ 11,847,178	$ 260,228	$11,586,950
City of Crowley (2.5%)	$ 7,479,741	$ 125,052	$ 7,354,689
Town of Church Point (1.0%)	$ 683,076	$ 10,800	$ 672,276
Town of Iota (2.0%)	$ 222,439	$ 3,914	$ 218,525
Village of Estherwood (1.0%)	$ 60,006	$ 1,096	$ 58,910
Village of Mermentau (1.0%)	$ 79,280	$ 1,385	$ 77,895
City of Rayne (2.0%)	$ 2,381,811	$ 39,435	$ 2,342,376
Village of Morse (1.0%)	$ 49,383	$ 1,064	$ 48,319
Church Point Law Enforcement (1.0%)	$ 683,071	$ 10,800	$ 672,271
Acadia Parish Sheriff (0.5%)	$ 4,079,403	$ 82,871	$ 3,996,532
Totals	$ 27,565,388	$ 536,645	$27,028,743

Note 20. Coronavirus Pandemic

The World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical areas in which the School Board operates. It is unknown how long these conditions will last and what the complete financial effect will be on the School Board. Additional, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

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REQUIRED SUPPLEMENTARY INFORMATION

Exhibit H-1

ACADIA PARISH SCHOOL BOARD

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Local sources –				
Ad valorem	$11,738,749	$12,159,456	$12,175,208	$ 15,752
Sales tax and use taxes	12,700,000	12,182,000	12,427,018	245,018
Sales tax fees	416,000	406,000	413,449	7,449
Other	1,823,150	1,766,281	2,126,533	360,252
Total local sources	$26,677,899	$26,513,737	$27,142,208	$ 628,471
State sources	55,922,534	56,238,959	56,274,814	35,855
Total revenues	$82,600,433	$82,752,696	$83,417,022	$ 664,326
Expenditures:				
Current –				
Instruction:				
Regular programs	$43,204,559	$41,635,423	$41,261,226	$ 374,197
Special education programs	6,374,188	6,376,076	6,403,282	(27,206)
Vocational education programs	1,857,507	1,744,558	1,751,020	(6,462)
Other instructional programs	268,999	254,316	254,069	247
Special programs	163,781	152,322	153,780	(1,458)
Adult and continuing education programs	61,738	31,786	31,786	-
Support services:				
Pupil support services	3,926,243	3,902,593	3,924,900	(22,307)
Instructional staff support services	2,723,378	2,372,514	2,377,462	(4,948)
General administration	1,386,629	1,390,930	1,367,973	22,957
School administration	5,675,185	5,384,835	5,401,308	(16,473)
Business services	805,132	802,290	801,499	791
Operation and maintenance of plant services	8,134,075	8,458,288	8,499,825	(41,537)
Student transportation services	4,827,621	4,906,387	4,902,652	3,735
Central services	849,745	852,777	832,046	20,731
Non-instructional services:				
Food services	355,000	404,340	431,829	(27,489)
Community services programs	11,500	11,500	11,500	-
Facilities acquisition and construction	1,404,500	2,289,209	2,434,441	(145,232)
Debt service -				
Principal retirement	932,656	932,656	932,656	-
Interest and fiscal charges	88,629	88,729	88,629	100
Total expenditures	$83,051,065	$81,991,529	$81,861,883	$ 129,646

(continued)

Exhibit H-1
(continued)

ACADIA PARISH SCHOOL BOARD

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Excess (deficiency) of revenues over expenditures	$ (450,632)	$ 761,167	$ 1,555,139	$ 793,972
Other financing sources (uses):				
Proceeds from insurance claims	$ 1,000	$ 7,883	$ 7,883	$ -
Transfers out	(113,117)	(131,000)	(154,209)	(23,209)
Total other financing sources (uses)	$ (112,117)	$ (123,117)	$ (146,326)	$ (23,209)
Net change in fund balance	$ (562,749)	$ 638,050	$ 1,408,813	$ 770,763
Fund balance, beginning	25,047,208	25,047,208	25,047,208	-
Fund balance, ending	$24,484,459	$25,685,258	$26,456,021	$ 770,763

See Notes to Budgetary Comparison Schedules.

ACADIA PARISH SCHOOL BOARD

NOTES TO BUDGETARY COMPARISON SCHEDULES

Note. 1 Budgets and Budgetary Accounting

The proposed budget for 2020 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2020 budget on July 1, 2019. In accordance with R.S. 17.88 (A), parish school boards must adopt the budget no later than September fifteenth of each year. The budget, which included proposed expenditures and the means of financing them, for the General and Special Revenue funds, was published in the official journal ten days prior to the public hearing. The budgets for the fiscal year 2020 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes in adopted by the School Board in an open meeting. Budgeted amounts included in the required supplementary information include the original adopted budget and final budgeted amounts.

Exhibit H-3

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN TOTAL
OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2020, 2019 and 2018

	2020	2019	2018
Service Cost	$ 8,245,432	$ 6,863,332	$ 7,385,258
Interest on total OPEB liability	9,417,682	9,335,487	8,362,682
Effect of economic/demographic gains or (losses)	7,836,533	-	33,744,905
Effect of assumption changes or inputs	71,928,331	15,862,199	(2,349,339)
Benefit payments	(5,764,865)	(5,420,319)	(5,162,871)
	$ 91,663,113	$ 26,640,699	$ 41,980,635
Total OPEB liability beginning	263,688,852	237,048,153	195,067,518
Total OPEB liability ending	$ 355,351,965	$ 263,688,852	$ 237,048,153
Covered payroll	$ 50,453,446	$ 50,050,036	$ 48,653,113
Total OPEB liability as a % of covered payroll	704.32%	526.85%	487.22%

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Years Ended June 30, 2020, 2019, 2018, 2017, 2016, 2015 and 2014

	2020	2019	2018
Teachers' Retirement System of Louisiana (TRSL)			
School Board's proportion of the net pension liability	0.86%	0.91%	0.93%
School Board's proportion share of the net pension liability	$ 85,762,770	$ 59,535,817	$ 95,281,459
School Board's covered employee payroll	$ 45,015,721	$ 44,556,255	$ 45,185,161
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	190.52%	133.62%	210.87%
Plan fiduciary net position as a percentage on the total pension liability	68.60%	68.20%	65.60%
Louisiana School Employees' Retirement System (LSERS)			
School Board's proportion of the net pension liability	.92%	0.99%	1.04%
School Board's proportion share of the net pension liability	$ 6,419,846	$ 6,626,406	$ 6,652,892
School Board's covered employee payroll	$ 2,546,524	$ 2,677,074	$ 2,860,202
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	252.10%	247.52%	232.60%
Plan fiduciary net position as a percentage on the total pension liability	69.67%	73.49%	74.44%
Louisiana State Employees' Retirement System (LASERS)			
School Board's proportion of the net pension liability	0.00212%	0.00212%	0.00187%
School Board's proportion share of the net pension liability	$ 153,810	$ 144,719	$ 131,697
School Board's covered employee payroll	$ 47,480	$ 44,314	$ 37,644
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	323.95%	326.58%	349.85%
Plan fiduciary net position as a percentage on the total pension liability	62.90%	64.30%	62.50%

Schedule H-4

2017	2016	2015	2014
0.96%	0.98%	0.99%	1.01%
$112,701,130	$105,043,298	$101,153,766	$121,107,754
$ 45,788,942	$ 46,826,779	$ 46,915,321	$ 47,526,384
246.13%	224.32%	215.61%	254.82%
59.90%	62.47%	63.65%	56.47%
1.03%	1.00%	1.05%	1.07%
$ 7,750,941	$ 6,347,890	$ 6,089,249	$ 8,155,285
$ 2,988,664	$ 2,928,644	$ 2,811,093	$ 2,835,530
259.34%	216.75%	216.61%	287.61%
75.03%	74.49%	76.18%	68.26%
0.00210%	0.00207%	0.00211%	0.00100%
$ 164,511	$ 140,791	$ 131,936	$ 72,846
$ 28,345	$ 37,699	$ 37,420	$ 30,897
582.50%	373.46%	352.58%	235.77%
57.73%	62.66%	65.02%	58.64%

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF PENSION CONTRIBUTIONS
For the Years Ended June 30, 2020, 2019, 2018, 2017, 2016, 2015 and 2014

	2020	2019	2018
Teachers' Retirement System of Louisiana (TRSL)			
Contractually required contribution	$ 11,705,188	$ 11,893,768	$ 12,020,158
Contributions in relation to the contractually required contribution	11,705,188	11,893,768	12,020,158
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 45,015,721	$ 44,556,255	$ 45,185,161
Contributions as a percentage of covered-employee payroll	26.00%	26.69%	26.60%
Louisiana School Employees' Retirement System (LSERS)			
Contractually required contribution	$ 748,679	$ 749,580	$ 789,416
Contributions in relation to the contractually required contribution	748,679	749,580	789,416
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 2,546,524	$ 2,677,074	$ 2,860,202
Contributions as a percentage of covered-employee payroll	29.40%	28.00%	27.60%
Louisiana State Employees' Retirement System (LASERS)			
Contractually required contribution	$ 19,326	$ 16,797	$ 14,267
Contributions in relation to the contractually required contribution	19,326	16,797	14,267
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 47,480	$ 44,314	$ 37,644
Contributions as a percentage of covered-employee payroll	40.70%	37.90%	37.90%

2017	2016	2015	2014
$ 11,677,090	$ 12,316,344	$ 13,136,714	$ 12,927,176
11,677,090	12,316,344	13,136,714	12,927,176
$ -	$ -	$ -	$ -
$ 45,788,942	$ 46,826,779	$ 46,915,321	$ 47,526,384
25.50%	26.30%	28.00%	27.20%
$ 815,905	$ 884,451	$ 927,661	$ 915,876
815,905	884,451	927,661	915,876
$ -	$ -	$ -	$ -
$ 2,988,664	$ 2,928,644	$ 2,811,093	$ 2,835,530
27.30%	30.20%	33.00%	32.30%
$ 10,147	$ 14,493	$ 13,845	$ 9,671
10,147	14,493	13,845	9,671
$ -	$ -	$ -	$ -
$ 28,345	$ 37,699	$ 37,420	$ 30,897
35.80%	38.44%	37.00%	31.30%

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OTHER SUPPLEMENTARY INFORMATION

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OTHER FINANCIAL INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

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

SPECIAL FEDERAL FUNDS FUND

This fund accounts for federal grants such as Carl D. Perkins Career and Technical Education Grant and Child Care and Development Block Grant.

NO CHILD LEFT BEHIND FUND

Title I - Title I of the Improving America's Schools Act (IASA) is a program for economically and educationally deprived children which is federally financed, state administered, and locally operated by the School Board. The Title I services are provided through various projects which are designed to supplement services rather than replace state and locally mandated programs.

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

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

Title III – Title III – Immigrant is a program that focuses on assisting school districts in teaching English to limited English proficient students and in helping meet the challenging State standards required of all students.

Title VI - Title VI of the IASA is a program by which the federal government provides funds to the School Board for an afterschool tutorial homework assistance program and staff development. This fund also accounts for revenues and expenditures of the Class Size Reduction Program designed to help local elementary schools reduce class size by hiring additional highly qualified teachers.

Title V – Title V, Part B of Elementary and Secondary Education Act provides funds to high-poverty, rural local educational agencies (LEAs) to supplement the LEA's activities under selected for Federal programs.

Migrant - An educational program which focuses on the needs of children of migratory workers.

Education Stabilization Fund – Provides funds to State educational agencies for the purpose of providing local educational agencies with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had and continues to have, on elementary and secondary schools across the nation.

SPECIAL EDUCATION FUND

Individuals with Disabilities Education Act (IDEA) Program

The IDEA Program is a federally funded program which provides for special education services to accommodate children with disabilities.

The Preschool Program is a program by which funds are used to provide special education handicapped services for preschool aged children. The fund also provides for pre-kindergarten and kindergarten classes designed to prepare at-risk-four-year old children for kindergarten.

STATE PROGRAMS FUND

Medicaid Special Education

Funds are generated by providing services to Medicaid-eligible students. This money is used to provide health-related services and for special needs students sent to other parishes.

In addition to Medicaid Special Education this category also accounts for state funded programs which provide for summer remediation, instructional enhancements for students, state mandated Pre-Ged/Options 3 program, and other programs which are not accounted for in other special revenue funds.

SCHOOL LUNCH FUND

The School Food Service makes nutritious breakfasts and lunches available to all students at 12 central kitchens and 13 satellite locations. Funding is provided through collections at the schools from students and teachers, federal reimbursement of certain costs, USDA commodities, and transfer from the General Fund.

HEADSTART FUND

Headstart provides an early childhood environment for approximately 400 three and four year old at-risk children in the communities of Church Point, Rayne, Crowley, and Estherwood. This federal program, which receives funding through the regional Headstart office in Dallas, offers an additional source of preschool experience for children in the parish. This fund also accounts for funds for training/technical assistance for staff development and Headstart training conferences for employees, parents, and policy council members.

ACADIA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2020

	Special Federal Funds	No Child Left Behind	Special Education	State Programs
ASSETS				
Cash and equity in pooled cash	$ -	$ -	$ -	$ 793,295
Receivables	17,811	3,183,255	336,596	100,381
Inventories	-	-	-	-
Total assets	$ 17,811	$ 3,183,255	$ 336,596	$ 893,676
LIABILITIES AND FUND BALANCES				
Liabilities:				
Pooled cash deficit	$ 16,756	$ 2,958,867	$ 255,753	$ -
Accounts payable	180	8,545	8,713	125
Accrued salaries and related benefits	875	215,843	72,130	89,770
Total liabilities	$ 17,811	$ 3,183,255	$ 336,596	$ 89,895
Fund balances:				
Nonspendable -				
Inventory	$ -	$ -	$ -	$ -
Restricted for special purposes	-	-	-	803,781
Total fund balances	$ -	$ -	$ -	$ 803,781
Total liabilities and fund balances	$ 17,811	$ 3,183,255	$ 336,596	$ 893,676

Exhibit I-1

School Lunch Funds	Headstart	Total
$ 1,935,472	$ -	$ 2,728,767
-	453,597	4,091,640
710,799	-	710,799
$ 2,646,271	$ 453,597	$ 7,531,206
$ -	$ 200,218	$ 3,431,594
10,690	87,017	115,270
175,762	166,362	720,742
$ 186,452	$ 453,597	$ 4,267,606
$ 710,799	$ -	$ 710,799
1,749,020	-	2,552,801
$ 2,459,819	-	$ 3,263,600
$ 2,646,271	$ 453,597	$ 7,531,206

ACADIA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Year Ended June 30, 2020

	Special Federal Funds	No Child Left Behind	Special Education	State Programs
Revenues:				
State sources	$ -	$ -	$ -	$ 1,756,308
Federal sources	146,969	7,163,483	2,068,077	-
Other sources	-	-	-	-
Total revenues	$ 146,969	$ 7,163,483	$ 2,068,077	$ 1,756,308
Expenditures:				
Current –				
Instruction:				
Regular programs	$ 1,147	$ -	$ 6,274	$ 147,171
Special education programs	-	-	604,558	70,505
Vocational education programs	125,261	-	-	-
Other instructional programs	-	77,172	-	-
Special programs	7,318	4,262,173	32,326	1,015,648
Support services:				
Pupil support services	-	886,416	766,284	171,087
Instructional staff support services	12,530	1,070,822	406,461	6,715
General administration	175	5,740	65,009	34,990
School administration	-	-	-	-
Business services	-	81,140	-	-
Operation and maintenance of plant services	-	87,399	60,982	229
Student transportation services	538	-	3,713	-
Central services	-	105,085	-	1
Non-instructional services:				
Food service operation	-	-	-	-
Community service programs	-	-	-	-
Indirect cost	-	587,536	122,470	-
In-kind	-	-	-	-
Total expenditures	$ 146,969	$ 7,163,483	$ 2,068,077	$ 1,446,346
Excess (deficiency) of revenues over expenditures	$ -	$ -	$ -	$ 309,962
Other financing sources:				
Proceeds from the sale of assets	$ -	$ -	$ -	$ -
Transfer in	-	-	-	20,213
Total other financing sources	$ -	$ -	$ -	$ 20,213
Net change in fund balances	$ -	$ -	$ -	$ 330,175
Fund balances, beginning	-	-	-	473,606
Fund balances, ending	$ -	$ -	$ -	$ 803,781

Exhibit I-2

School Lunch Funds	Headstart	Total
$ 66,233	$ -	$ 1,822,541
5,847,683	3,148,497	18,374,709
61,461	790,154	851,615
$ 5,975,377	$ 3,938,651	$ 21,048,865
$ -	$ -	$ 154,592
-	29,877	704,940
-	-	125,261
-	-	77,172
-	1,423,180	6,740,645
-	101,330	1,925,117
-	29,569	1,526,097
-	132,852	238,766
-	203,796	203,796
-	39,134	120,274
5,216	276,801	430,627
-	441,356	445,607
-	7,111	112,197
6,428,851	100,976	6,529,827
-	198,086	198,086
-	164,429	874,435
-	790,154	790,154
$ 6,434,067	$ 3,938,651	$ 21,197,593
$ (458,690)	$ -	$ (148,728)
$ 1,723	$ -	$ 1,723
133,996	-	154,209
$ 135,719	$ -	$ 155,932
$ (322,971)	-	$ 7,204
2,782,790	$ -	3,256,396
$ 2,459,819	$ -	$ 3,263,600

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FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the School Board's own programs.

AGENCY FUNDS

School Activity Fund - The School Activity Fund accounts for monies generated by the individual schools and school organizations within Acadia Parish. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and is not available for the use by the School Board.

Sales Tax Fund - The Sales Tax Fund accounts for the collection and distribution of sales tax that the School Board has the responsibility of collecting. Effective December 1, 1967, the School Board was appointed the central sales tax collecting agency for all taxing bodies within Acadia Parish. The cost of collecting the taxes is divided among all of the taxing bodies based upon their respective sales and use tax in relation to the combined total.

Exhibit J-1

ACADIA PARISH SCHOOL BOARD

AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
June 30, 2020

	School Activity	Sales Tax	Totals
ASSETS			
Cash and equity in pooled cash	$ 2,003,827	$ 1,932,214	$ 3,936,041
LIABILITIES			
Accounts payable	$ -	$ 1,386,589	$ 1,386,589
Due to other funds	-	543,445	543,445
Accrued interest payable	-	2,180	2,180
Deposits due to others	2,003,827	-	2,003,827
Total liabilities	$ 2,003,827	$ 1,932,214	$ 3,936,041

Exhibit J-2

ACADIA PARISH SCHOOL BOARD

SCHOOL ACTIVITY AGENCY FUNDS
SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS
For the Year Ended June 30, 2020

	Beginning Balance	Additions	Deletions	Ending Balance
Armstrong Middle	$ 37,364	$ 68,973	$ 67,524	$ 38,813
Branch Elementary	26,226	75,347	74,504	27,069
Central Rayne Kindergarten	40,042	60,421	52,083	48,380
Church Point Elementary	81,468	94,553	96,645	79,376
Church Point High	140,360	306,136	281,495	165,001
Church Point Middle	24,721	60,967	71,229	14,459
Crowley High	149,888	248,872	248,064	150,696
Crowley Middle	35,293	94,994	83,471	46,816
Crowley Kindergarten	48,882	24,889	19,056	54,715
Egan Elementary	36,460	68,198	72,868	31,790
Estherwood Elementary	24,883	60,712	62,157	23,438
Evangeline Elementary	73,124	37,310	48,961	61,473
Iota Elementary	39,427	90,282	86,022	43,687
Iota High	182,305	402,747	361,099	223,953
Iota Middle	37,038	92,148	86,254	42,932
Martin Petitjean Elementary	33,507	34,731	30,373	37,865
Mermentau Elementary	43,108	43,354	34,671	51,791
Midland High	230,730	186,048	163,471	253,307
Mire Elementary	102,776	163,258	161,194	104,840
Morse Elementary	46,943	62,574	62,060	47,457
North Crowley Elementary	55,064	30,840	26,365	59,539
Rayne High	254,501	375,409	372,948	256,962
Richard Elementary	41,713	62,509	73,542	30,680
Ross Elementary	52,932	21,802	17,206	57,528
South Crowley Elementary	28,311	32,008	25,273	35,046
South Rayne Elementary	17,322	39,241	40,349	16,214
Total	$ 1,884,388	$ 2,838,323	$ 2,718,884	$2,003,827

Exhibit J-3

ACADIA PARISH SCHOOL BOARD

SALES TAX AGENCY FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2020

Receipts:	
Sales taxes	$ 39,856,652
Disbursements:	
Tax proceeds distributed to taxing authorities, net of collection costs	39,839,867
Increase in cash	$ 16,785
Cash balance, beginning	1,915,429
Cash balance, ending	$ 1,932,214

Exhibit J-4

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
For the Year Ended June 30, 2020

Agency Head: Scott Richard, Superintendent

Purpose	Amount
Salary	$ 159,120
Benefits:	
Insurance	11,123
Retirement	43,867
Car and cell phone allowance	9,600
Membership dues	1,050
Conference registration fees	350
Expense reimbursements	177
	$ 225,287

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INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS

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

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Acadia Parish School Board (the "School Board") as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 18, 2020.

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) to determine the 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 to merit attention by those charged with governance.

Our consideration of internal control over financial reporting 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 of material misstatement, we performed tests of its compliance and certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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, however, this report is a matter of public record and its distribution is not limited.

Broussard Poche', LLP

Lafayette, Louisiana
December 18, 2020

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

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, Louisiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

Management is responsible for compliance with federal statues, regulations, and terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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

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Report on Internal Control over Compliance

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

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

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

The purpose of the 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 requirements of Uniform Guidance. This report is intended for the information and use of management, the Board, others within the entity, and federal awarding agencies and pass-through entities and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose, however, this report is a matter of public record and its distribution is not limited.

Broussard Poche', LLP

Lafayette, Louisiana
December 18, 2020

Exhibit K-1

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Project Number	CFDA Number	Expenditures
United States Department of Education:			
Passed Through State Department of Education –			
Title I Grants to Local Educational Agencies:			
Title I	28-20-T1-01	84.010A	$ 4,123,332
Redesign 1003a	28-19-RD19-01	84.010A	167,050
Direct Student Services	28-20-DSS-01	84.101	13,338
TOTAL Title I – Grants to Local Education Agencies			$ 4,303,720
Hurricane Homeless Grant	N/A	84.938	$ 4,811
Supporting Effective Instruction State Grants – Title IIA	28-20-50-01	84.367A	$ 711,315
Student Support and Academic Enrichment Program – Title IVA	28-20-71-01	84.424A	$ 138,248
Rural Education – Title V -B RLIS	28-19-RE-01	84.358b	$ 4,093
English Language Acquisition State Grants – Title III - Immigrant	28-20-S3-01	84.365A	$ 3,006
Migrant Education State Grant Program – Migrant Education	28-20-M1-01	84.011A	$ 73,535
COVID-19 CARES Act – Education Stabilization Fund*			
COVID-19 – CARES Act – Elementary and Secondary School Emergency Relief (ESSER) Fund	28-20-ESRF-01	84.425D	$ 1,924,755
Special Education Cluster (IDEA):			
IDEA Part B 611*	28-20-B1-01	84.027A	$ 2,019,600
IDEA Preschool 619*	28-20-P1-01	84.173A	39,623
			$ 2,059,223
State Personnel Development Grant – UIR	28-18-SPDU-0	84.323A	$ 8,854
Career & Technical Education – Basic Grants to States – Carl Perkins Secondary	28-20-02-01	84.048A	$ 128,555
477 Cluster – Child Care and Development Block Grant	28-19-C0-01	93.575	$ 18,414
Total U.S. Department of Education			$ 9,378,529

(continued)

Exhibit K-1
(continued)

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Project Number	CFDA Number	Expenditures
United States Department of Health and Human Services:			
Head Start Cluster			
Headstart	N/A	93.600	$ 3,148,497
United States Department of Agriculture:			
Passed through State Department of Education -			
Child Nutrition Cluster			
School Breakfast Program	N/A	10.553	$ 1,276,420
National School Lunch and School Milk Program	N/A	10.555	3,621,611
			$ 4,898,031
Child and Adult Care Food Program	N/A	10.558	$ 511,169
Passed through State Department of Agriculture and Forestry –			
National School Lunch Program (Commodities)	N/A	10.555	$ 438,483
Total U.S. Department of Agriculture			$ 5,847,683
Total Expenditures of Federal Awards			$ 18,374,709

* Denotes major program

ACADIA PARISH SCHOOL BOARD

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the School Board under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is present in accordance with the requirement 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 of the School Board.

Note 2. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2020. Such expenditures are recognized following the cost principles in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3. Indirect Cost Rate

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

Note 3. Noncash Programs

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

Note 4. Federal Awards Passed Through to Subrecipients

There were no federal awards passed through to subreceipients for the year ended June 30, 2020.

Exhibit L-1

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

We have audited the financial statements of the Acadia Parish School Board as of and for the year ended June 30, 2020, and have issued our report thereon dated December 18, 2020. We conducted our audit 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 provisions of the Uniform Guidance. Our audit of the financial statements as of June 30, 2020 resulted in an unmodified opinion.

Section I. Summary of Auditors' Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material weaknesses — Yes ☐ No ☒

Control deficiencies identified that are not considered to be material weaknesses — Yes ☐ No ☒

Compliance

Compliance material to financial statements — Yes ☐ No ☒

b. Federal Awards

Internal Control:

Material weaknesses — Yes ☐ No ☒

Control deficiencies identified that are no considered to be material weaknesses — Yes ☐ No ☒

Type of Opinion on:

Compliance for Major Programs — Unmodified ☒ Modified ☐ Disclaimer ☐ Adverse ☐

Are there findings required to be reported in accordance with the provisions of the Uniform Guidance?
Yes ☐ No ☒

c. Identification of Major Programs:

CFDA Number	Name of Federal Program
84.425	CARES Act – Education Stabilization Fund
84.027A	IDEA Part B 611
84.173A	IDEA Preschool 619

Dollar threshold used to distinguish between Type A and Type B Programs: $750,000

Is the auditee a "low-risk" auditee, as defined by the Uniform Guidance? — Yes ☒ No ☐

Section II. Financial Statement Findings

No matters are reported.

Section III. Federal Award Findings and Questioned Costs

No matters are reported.

ACADIA PARISH SCHOOL BOARD

SCHEDULE OF PRIOR FINDINGS
Year Ended June 30, 2020

Section I. Internal Control and Compliance Material to the Financial Statements

No matters are reported.

Section II. Internal Control and Compliance Material to Federal Awards

No matters are reported.

Section III. Management Letter

There were no matters reported in a separate management letter for the year ended June 30, 2019.

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SUPPLEMENTAL SCHEDULES OF PERFORMANCE MEASURES

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Scott Richard, Superintendent,
and Members of the Acadia Parish School Board
Crowley, Louisiana

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

The procedures and associated findings are as follows:

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

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

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

    There were no exceptions noted.

Class Size Characteristics (Schedule 2)

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

    There were no exceptions noted.

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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 property classified on the PEP data or equivalent listing prepared by management.

   There were no exceptions noted.

Public 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).

   There were no exceptions noted.

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

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

Broussard Poche', LLP

Lafayette, Louisiana
December 18, 2020

ACADIA PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND CERTAIN LOCAL REVENUE SOURCES
For the Year Ended June 30, 2020

General Fund Instructional and Equipment Expenditures		
General fund instructional expenditures:		
Teacher and student interaction activities –		
Classroom teacher salaries	$ 29,142,548	
Other instructional staff activities	2,152,467	
Instructional staff employee benefits	15,560,906	
Purchases professional and technical services	314,413	
Instructional materials and supplies	1,485,028	
Instructional equipment	469,697	
Total teacher and student interaction activities		$ 49,125,059
Other instructional activities		494,584
Pupil support activities	$ 3,924,900	
Less: Equipment for pupil support activities	-	
Net pupil support activities		3,924,900
Instructional staff services	$ 2,377,462	
Less: Equipment for instructional staff services	-	
Net instructional staff services		2,377,462
School administration	$ 5,401,308	
Less: Equipment for school administration	-	
Net school administration		5,401,308
Total general fund instructional expenditures (Total of Column B)		$ 61,323,313
Total general fund equipment expenditures (Object 730; Function 1000-4000)		$ 1,215,473
Certain Local Revenue Sources		
Local taxation revenue:		
Constitutional Ad Valorem Taxes		$ 2,087,114
Renewable Ad Valorem Tax		9,764,488
Up to 1% of collections by the Sheriff on taxes other than school taxes		307,367
Sales and Use Taxes		12,357,112
Total local taxation revenue		$ 24,516,081
Local earnings on investment in real property:		
Earnings from 16th section property		$ 428,132
Earnings from other real property		8,353
Total local earnings on investment in real property		$ 436,485
State revenue in lieu of taxes:		
Revenue sharing – constitutional tax		$ 134,498
Revenue sharing – other taxes		118,810
Total state revenue in lieu of taxes		$ 253,308
Nonpublic textbook revenue		$ 39,487
Nonpublic transportation revenue		$ -

ACADIA PARISH SCHOOL BOARD

CLASS SIZE CHARACTERISTICS
As of October 1, 2017

	Class Size Range							
	1- 20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
School Type:								
Elementary Regular Classes	25%	1,013	13%	508	2%	92	0%	4
Elementary Activity Classes	4%	164	3%	101	1%	25	0%	5
Middle School Regular Classes	7%	275	3%	136	1%	35	0%	-
Middle School Activity Classes	3%	118	1%	20	0%	6	0%	-
High School Regular Classes	17%	669	6%	224	1%	37	0%	-
High School Activity Classes	5%	194	0%	18	0%	3	0%	2
Combination School Regular Classes	4%	154	2%	63	1%	46	0%	-
Combination School Activity Classes	2%	70	0%	1	0%	0	0%	1

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.