
WEST BATON ROUGE PARISH SCHOOL BOARD

PORT ALLEN, LOUISIANA

JUNE 30, 2022

WEST BATON ROUGE PARISH SCHOOL BOARD

BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

TABLE OF CONTENTS

Independent Auditors' Report	1-3
REQUIRED SUPPLEMENTARY INFORMATION – Part I	
Management's Discussion and Analysis	4-10
BASIC FINANCIAL STATEMENTS	
<u>Government-Wide Financial Statements (GWFS)</u>	
Statement of Net Position	11
Statement of Activities	12
<u>Fund Financial Statements (FFS)</u>	
<u>Governmental Funds:</u>	
Balance Sheet	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances	15-16
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	17
Notes to the Financial Statements	18-49
REQUIRED SUPPLEMENTARY INFORMATION – Part II	
Major Fund Descriptions	50
Budgetary Comparison Schedules	51-57
Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios	58
Schedule of School Board's Proportionate Share of the Net Pension Liability for the Retirement Systems	59

TABLE OF CONTENTS

REQUIRED SUPPLEMENTARY INFORMATION – Part II (continued)

Schedule of Employer Contributions to the Retirement Systems	60
Notes to Required Supplementary Information	61-64

OTHER SUPPLEMENTAL INFORMATION:

Non-major Governmental Funds:

Non-major Fund Descriptions	65-66
Combining Balance Sheet	67-69
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	70-72
Schedule of Board Members' Compensation	73
Schedule of Compensation, Benefits, and Other Payments to the Superintendent	74

**OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS* AND
BY THE U.S. OFFICE OF MANAGEMENT AND BUDGET (OMB) UNIFORM GUIDANCE**

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 <i>Government Auditing Standards</i>	75-76
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	77-79
Schedule of Expenditures of Federal Awards and Accompanying Notes	80-82
Schedule of Findings and Questioned Costs	83-87
Summary Schedule of Prior Audit Findings	88

PERFORMANCE AND STATISTICAL SCHEDULES:

Independent Accountants' Report on Applying Agreed-Upon Procedures	89-91
Schedules Required by State Law – Descriptions	92
Schedules Required by State Law	93-94

Independent Auditors' Report

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the budgetary comparison schedules on pages 51 through 57, the schedule of changes in total other post-employment benefits liability and related ratios on page 58, the schedule of school board's proportionate share of the net pension liability for the retirement systems on page 59, the schedule of employer contributions to the retirement systems on page 60, and the notes to the required supplementary information on pages 61 through 64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The non-major fund descriptions on pages 65 and 66, the combining and non-major governmental fund financial statements on pages 67 through 72, the schedule of board members' compensation on page 73, and the schedule of compensation, benefits, and other payments to the superintendent on page 74, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and accompanying notes on pages 80 through 82 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and non-major governmental fund financial statements, the schedule of board members' compensation, the schedule of compensation, benefits, and other payments to the superintendent, and the schedule of expenditures of federal awards and accompanying notes, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the information included in the performance and statistical data schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2023, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is 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 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.

Postlethwaite & Netterville

Baton Rouge, Louisiana
June 29, 2023

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

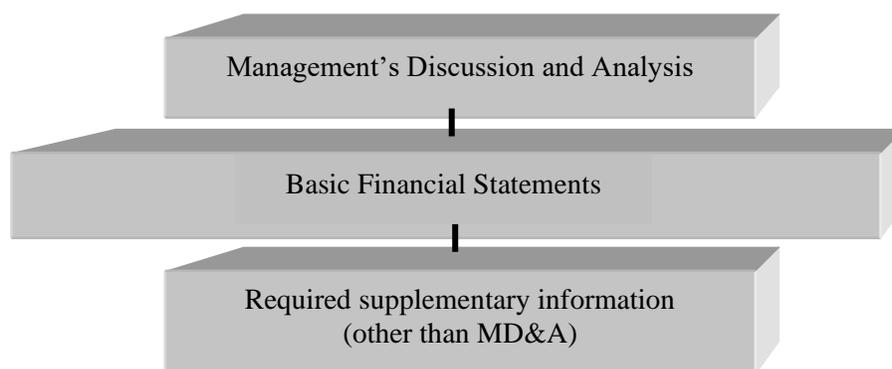
The Management’s Discussion and Analysis of the West Baton Rouge Parish School Board’s (the School Board) financial performance presents a narrative overview and analysis of the School Board’s financial activities for the year ended June 30, 2022. This document focuses on the current year’s activities, resulting changes, and currently known facts in comparison with the prior year’s information (where available).

FINANCIAL HIGHLIGHTS

- ★ The School Board’s liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$49,977,417 at the close of fiscal year 2022. Of this deficit net position, \$34,887,493 is either restricted or invested in capital assets and is unavailable for payment of ongoing obligations. The unrestricted net position reflects a deficit balance of \$84,601,325.
- ★ During the year, the School Board’s revenues exceeded expenses by \$10,639,606 representing an increase in the financial condition of the School Board.
- ★ Minimum Foundation Program (MFP) revenues increased by \$1,149,365, or 7%, in comparison to the prior year as a result in student enrollment and legislative increases to the MFP formula.
- ★ Ad valorem tax revenue increased by \$2,577,736, or 9%, over the prior year as total property value increased approximately \$70 million from prior year. There was also an increase in sales and uses tax of \$4,351,067, or 24%, from the prior year as there was increased economic activity within the parish.
- ★ The General Fund operated at a surplus of \$3,916,785 and ended the fiscal year with an accumulated fund balance of \$9,224,752, which is 9% of current year total expenditures for the general fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments.



These financial statements consist of four sections - Management’s Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), required supplementary information, and an optional section that presents combining statements for non-major governmental funds and other supplementary information.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to private sector business.

The *statement of net position* presents information on all of the School Board's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference among them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund financial statements

A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements and generally employ the use of 3 types of funds governmental, proprietary, and fiduciary. All of the funds of the School Board are considered to be governmental funds.

Governmental funds

Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Projects Fund, the Debt Service Fund, the 2007 Property Tax Fund, the 2017 Property Tax Fund, the EFID Sales Tax Fund, and the ESSER Fund all of which are considered major funds.

The remaining funds are combined into a single, aggregated presentation under the label of other non-major governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

The School Board adopts annual appropriated budgets for the General Fund, Capital Projects Fund, Debt Service Fund, 2007 Property Tax Fund, 2017 Property Tax Fund, EFID Sales Tax Fund, ESSER Fund and all other Special Revenue Funds.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL ANALYSIS OF THE ENTITY

Statements of Net Position
As of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Assets			
Cash and cash equivalents	\$ 24,340,785	\$ 20,398,063	\$ 3,942,722
Receivables and other assets	7,447,461	6,026,436	1,421,025
Investments	3,505,041	3,555,708	(50,667)
Assets held for sale	-	405,100	(405,100)
Capital assets, net	<u>107,297,626</u>	<u>110,792,050</u>	<u>(3,494,424)</u>
Total assets	<u>142,590,913</u>	<u>141,177,357</u>	<u>1,413,556</u>
Total deferred outflows of resources	<u>34,277,502</u>	<u>41,546,365</u>	<u>(7,268,863)</u>
Liabilities			
Accounts, salaries, and other payables	6,872,566	6,273,575	598,991
Accrued interest payable	1,262,368	1,310,285	(47,917)
Total post-employment benefit liability	54,139,314	64,744,018	(10,604,704)
Compensated absences payable	687,130	591,008	96,122
Bonds payable/premiums	89,664,016	93,980,188	(4,316,172)
Pension privatization liability	372,855	408,947	(36,092)
Claims and judgments	45,000	30,000	15,000
Net pension liability	<u>34,167,754</u>	<u>67,188,645</u>	<u>(33,020,891)</u>
Total liabilities	<u>187,211,003</u>	<u>234,526,666</u>	<u>(47,315,663)</u>
Total deferred inflows of resources	<u>39,634,829</u>	<u>8,814,079</u>	<u>30,820,750</u>
Net Position			
Net investment in capital assets	19,090,266	20,572,009	(1,481,743)
Restricted for state, federal, and donor grants	139,409	165,058	(25,649)
Restricted for debt service	592,468	791,300	(198,832)
Restricted for food service	1,443,873	648,315	795,558
Restricted for compensation	4,457,221	2,848,552	1,608,669
Restricted for operations and maintenance	1,648,330	871,554	776,776
Restricted for capital projects	7,252,341	6,658,338	594,003
Unrestricted (Deficit)	<u>(84,601,325)</u>	<u>(93,172,149)</u>	<u>(8,570,824)</u>
Total net position (deficit)	<u>\$ (49,977,417)</u>	<u>\$ (60,617,023)</u>	<u>\$ (10,639,606)</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

- Cash and cash equivalents account for 17.1% of the total assets of the School Board. Capital assets, which are reported net of accumulated depreciation, account for 75.2% of the total assets of the School Board for the most recent year end. The increase in cash and cash equivalents is due to the increase in ad valorem revenues and sales tax revenue during the fiscal year. The decrease in capital assets is due to the completion of major projects in the prior year.
- Accounts, salaries, and other payables increased by \$598,991 or 9.5% from the prior year and account for 3.7% of total liabilities reported as a result of timing of when payments were remitted to vendors.
- Total post-employment benefit liability accounts for 28.9% of total liabilities and decreased by \$10,604,704 or 16.4% from the prior year as a result of changes in assumptions regarding future benefits by the School Board's actuary. Also, the benefits continue to accrue but are not being funded by the School Board.
- Net pension liability accounts of \$34,167,754 for 18.3% of total liabilities at June 30, 2022 , which is an decrease of \$33,020,891 or 49.1% as a result of changes in the valuation by the pension plans' actuary.
- Net position at June 30, 2022 shows a deficit of \$49,977,417. The deficit is predominantly a result of the School Board reporting its proportionate share of unfunded pension liabilities of Teachers Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS), and the reporting of its total other post-employment benefits liability.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

Changes in Net Position (for fiscal year)

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Revenues			
Charges for services	\$ 2,202,636	\$ 1,548,038	\$ 654,598
Operating grants	13,609,551	11,422,988	2,186,563
General revenues			
Taxes	55,013,069	48,084,266	6,928,803
Earnings on investments	89,289	96,909	(7,620)
MFP	17,189,894	16,040,529	1,149,365
Other	578,264	458,776	119,488
	<u>88,682,703</u>	<u>77,651,506</u>	<u>11,031,197</u>
Expenses			
Regular education	19,165,726	21,941,934	(2,776,208)
Special education	8,117,533	9,014,793	(897,260)
Other education	13,564,237	11,592,756	1,971,481
Pupil support	3,367,216	3,838,999	(471,783)
Instructional staff	2,371,141	2,922,834	(551,693)
General administrative	1,979,888	1,718,816	261,072
School administrative	3,125,961	3,711,189	(585,228)
Business services	405,755	468,539	(62,784)
Plant operation and maintenance	13,652,918	6,687,528	6,965,390
Student transportation	4,035,781	3,792,587	243,194
Central services	382,144	465,963	(83,819)
Appropriations	1,337,155	1,179,054	158,101
Food service	3,340,875	3,724,146	(383,271)
Interest and fiscal charges	3,196,767	3,378,104	(181,337)
	<u>78,043,097</u>	<u>74,437,242</u>	<u>3,605,855</u>
Change in net position	<u>10,639,606</u>	<u>3,214,264</u>	<u>7,425,342</u>
Net position – beginning	<u>(60,617,023)</u>	<u>(63,831,287)</u>	<u>3,214,264</u>
Net position - ending	<u>\$ (49,977,417)</u>	<u>\$ (60,617,023)</u>	<u>\$ 10,639,606</u>

- Operating grants increased by \$2,186,563 or 19.1% from the prior year predominantly due to additional federal grants to assist the School Board in responding to the COVID-19 pandemic.
- Taxes have increased \$6,928,803 or 14.4% from prior year predominantly due to the increase in assessed taxable value of property within West Baton Rouge Parish and increased economic activity within the parish contributing to growth in sales taxes. MFP funds increased by \$1,149,365 or 7.2% as a result of legislative increases to the MFP formula.
- Total expenses have increased by \$3,605,855 or 4.8% during the fiscal year. Salaries include an estimated 1.5% step increase earned by employees based on their length of employment with the School Board. Also, additional staff were hired for continued implementation of educational initiatives.
- Plant operation and maintenance increased by \$6,965,390 or 104% during the fiscal year due to the School completed two capital projects the previous year. Thus, resulting in additional operation and maintenance needed in support of those new facilities.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022, the West Baton Rouge Parish School Board had \$107,297,626 (net of depreciation) invested in a broad range of capital assets, including land, construction in progress, building, and equipment (see table below).

This amount represents a net decrease (including additions, deductions, and changes in capitalization) of \$3,494,424, or 3.2%.

Capital Assets at Year-end
(Net of Depreciation)

	2022	2021	change
Land	\$ 5,851,903	\$ 5,851,903	\$ -
Construction in Progress	3,580,421	4,505,438	(925,017)
Land improvements	823,687	601,705	221,982
Buildings and improvements	96,497,753	99,093,249	(2,595,496)
Equipment and fixtures	543,862	739,755	(195,893)
	\$ 107,297,626	\$ 110,792,050	\$ (3,494,424)

There was \$1,625,568 in purchases of capital assets made by the School Board during 2022 and \$5,119,992 in depreciation expense. The capital asset purchases are related to planned capital projects funded by the general obligation bonds issuances. Additional information on the School Board's capital assets can be found in Note 9 to the basic financial statements.

Long-term Debt (Exclusive of Pension and Post Employment Benefit Liabilities)

Changes to long-term debt consisted of principal payments as scheduled for the outstanding bonds and net increases in accruals of compensated absences and claims and judgments offset by a net decrease in pension privatization liabilities.

Long-Term Debt at June 30, 2022 and 2021

	2022	2021
Compensated absences	\$ 687,130	\$ 591,008
Pension privatization liability	372,855	408,947
Claims and judgments	45,000	30,000
Bonds payable	79,250,000	82,880,000
Premium on bonds	10,414,016	11,100,188
	\$ 90,769,001	\$ 95,010,143

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2022

ANALYSIS OF THE SCHOOL BOARD'S GENERAL FUND

- The majority of the School Board's financial activity occurs in the General Fund. The fund balance at June 30, 2022, is \$9,224,752. This fund balance is a result of accumulated operating surpluses and deficits from the current and prior fiscal years and serves to sustain the system during periods of decreased revenue or major events.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

There were no budget amendments adopted during the year ended June 30, 2022.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The financial stability that is necessary to fund services provided by the School Board is achieved through federal and state funding. These revenue sources represent 34.6%, or \$32.6 million, of total projected 2023 proceeds. Local revenues (primarily sales and use and ad valorem taxes) represent 58.1%, or \$54.8 million, of total projected proceeds. Other sources of funds represent \$6.9 million, or 7.3% of total projected proceeds.

The West Baton Rouge Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Ad valorem (property) tax revenue is budgeted to be about 8.0% higher collections as compared to 2021-2022 collections. Sales and use tax revenue is expected to generate a 9.0% increase in the amount of revenues as the prior year. The Louisiana Department of Education released its Minimum Foundation Program (MFP) funding schedule for the 2022-2023 fiscal year which indicates that the School Board is projected to receive around \$18.3 million dollars in State Aid. Federal revenues are projected at \$12.9 million dollars, the amount of approved grant applications.
- Total salaries budgeted include the step increase earned by all employees, which is projected at a 1.5% increase, due to their length of employment with the School Board. This increase has been factored in across all major funds of the School Board. Additionally, there was a State-funded salary increase through MFP. Retirement costs will decrease by approximately \$225,000 this year due to rate decreases for 2022-2023. In addition, the 2022-2023 budget anticipates decent increases in commercial insurance, electricity, and property insurance.

CONTACTING THE WEST BATON ROUGE PARISH SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Jared Gibbs, Supervisor of Business Services, West Baton Rouge Parish School Board, 3761 Rosedale Road, Port Allen, LA 70767.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2022

<u>ASSETS</u>	
Cash and cash equivalents	\$ 24,340,785
Receivables	7,281,088
Investments	3,505,041
Inventory	166,373
Capital assets, net of accumulated depreciation	<u>107,297,626</u>
TOTAL ASSETS	<u>142,590,913</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflow amounts related to pension liability	14,475,212
Deferred outflow amounts related to other post-employment benefit liability	<u>19,802,290</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>34,277,502</u>
<u>LIABILITIES</u>	
Accounts, salaries, and other payables	6,872,566
Accrued interest payable	1,262,368
Long-term liabilities	
Due within one year	
Compensated absences payable	52,731
Bonds payable/premiums	4,606,172
Total post-employment benefit liability	1,648,000
Pension privatization liability	89,238
Claims and judgments	45,000
Due in more than one year	
Compensated absences payable	634,399
Bonds payable/premiums	85,057,844
Total post-employment benefit liability	52,491,314
Net pension liability	34,167,754
Pension privatization liability	<u>283,617</u>
TOTAL LIABILITIES	<u>187,211,003</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflow amounts related to pension liability	24,185,003
Deferred inflow amounts related to other post-employment benefit liability	<u>15,449,826</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>39,634,829</u>
<u>NET POSITION</u>	
Net invested in capital assets	19,090,266
Restricted for:	
State, federal, and donor grants	139,409
Debt service	592,468
Food service	1,443,873
Compensation	4,457,221
Operations and maintenance	1,648,330
Capital projects	7,252,341
Unrestricted (Deficit)	<u>(84,601,325)</u>
TOTAL NET POSITION (DEFICIT)	<u>\$ (49,977,417)</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
<u>Functions/Programs</u>		Charges for Services	Operating Grants and Contributions	Governmental Unit
Instruction:				
Regular education programs	\$ 19,165,726	\$ -	\$ 202,303	\$ (18,963,423)
Special education programs	8,117,533	-	619,535	(7,497,998)
Other education programs	13,564,237	-	7,236,163	(6,328,074)
Support Services:				
Pupil support services	3,367,216	2,147,956	475,826	(743,434)
Instructional staff services	2,371,141	-	536,648	(1,834,493)
General administration services	1,979,888	-	5,196	(1,974,692)
School administration services	3,125,961	-	984	(3,124,977)
Business services	405,755	-	124	(405,631)
Plant operation and maintenance	13,652,918	-	350,922	(13,301,996)
Student transportation	4,035,781	-	201,054	(3,834,727)
Central services	382,144	-	108	(382,036)
Appropriations:				
Charter school	1,337,155	-	-	(1,337,155)
Non-Instruction Services:				
Food service	3,340,875	54,680	3,980,688	694,493
Debt Service:				
Interest and fiscal charges	3,196,767	-	-	(3,196,767)
Total Governmental Activities	\$ 78,043,097	\$ 2,202,636	\$ 13,609,551	(62,230,910)
General Revenues				
Taxes:				
Ad Valorem taxes				32,678,293
Sales and use taxes				22,334,776
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				17,189,894
Interest and investment earnings				89,289
Miscellaneous				578,264
			Total general revenues	72,870,516
Change in Net Position				10,639,606
Net Position - June 30, 2021				(60,617,023)
Net Position - June 30, 2022				\$ (49,977,417)

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022

	General	Capital Projects	Debt Service	2007 Property Tax	2017 Property Tax	EFID Sales Tax	ESSERF	Other Non-major Governmental	Total
ASSETS									
Cash and cash equivalents	\$ 7,443,193	\$ 4,142,670	\$ 1,709,308	\$ 2,397,556	\$ 2,073,188	\$ 2,278,761	\$ -	\$ 4,296,109	\$ 24,340,785
Receivables	955,499	-	8,573	8,263	8,263	926,025	2,973,049	2,401,416	7,281,088
Investments	-	3,109,671	136,955	-	-	204,457	-	53,958	3,505,041
Due from other funds	4,756,113	-	-	-	-	-	-	5,515	4,761,628
Inventory	-	-	-	-	-	-	-	166,373	166,373
TOTAL ASSETS	\$ 13,154,805	\$ 7,252,341	\$ 1,854,836	\$ 2,405,819	\$ 2,081,451	\$ 3,409,243	\$ 2,973,049	\$ 6,923,371	\$ 40,054,915
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 219,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,146	\$ 596,324
Salaries and benefits payable	3,710,875	-	-	702,853	675,829	412,280	19,761	754,644	6,276,242
Due to other funds	-	-	-	-	-	-	2,953,288	1,808,340	4,761,628
TOTAL LIABILITIES	3,930,053	-	-	702,853	675,829	412,280	2,973,049	2,940,130	11,634,194
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	166,373	166,373
Spendable:									
Restricted	-	7,252,341	1,854,836	1,702,966	1,405,622	2,996,963	-	3,816,868	19,029,596
Unassigned	9,224,752	-	-	-	-	-	-	-	9,224,752
TOTAL FUND BALANCES	9,224,752	7,252,341	1,854,836	1,702,966	1,405,622	2,996,963	-	3,983,241	28,420,721
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,154,805	\$ 7,252,341	\$ 1,854,836	\$ 2,405,819	\$ 2,081,451	\$ 3,409,243	\$ 2,973,049	\$ 6,923,371	\$ 40,054,915

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total Fund Balances at June 30, 2022 - Governmental Funds		\$ 28,420,721
Cost of capital assets at June 30, 2022	134,591,697	
Less: Accumulated depreciation as of June 30, 2022:	<u>(27,294,071)</u>	107,297,626
Accrued interest on long-term debt		(1,262,368)
Long-term liabilities at June 30, 2022:		
Bonds payable/premiums	\$ (89,664,016)	
Compensated absences payable	(687,130)	
Claims and judgments	(45,000)	
Pension privatization liability	<u>(372,855)</u>	<u>(90,769,001)</u>
Total post-employment liability balances in accordance with GASB 75		
Deferred outflow of resources - related to total OPEB	\$ 19,802,290	
Total other post-employment liability	(54,139,314)	
Deferred inflow of resources - related to total OPEB	<u>(15,449,826)</u>	<u>(49,786,850)</u>
Net pension obligation balances in accordance with GASB 68		
Deferred outflow of resources - related to net pension liability	\$ 14,475,212	
Net pension liability	(34,167,754)	
Deferred inflow of resources - related to net pension liability	<u>(24,185,003)</u>	<u>(43,877,545)</u>
 Total net position at June 30, 2022 - Governmental Activities		 <u>\$ (49,977,417)</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	General	Capital Projects	Debt Service	2007 Property Tax	2017 Property Tax	EFID Sales Tax	ESSERF	Other Non-major Governmental	Total
REVENUES									
Local sources:									
Ad valorem taxes	\$ 11,756,821	\$ -	\$ 7,145,932	\$ 6,887,770	\$ 6,887,770	\$ -	\$ -	\$ -	\$ 32,678,293
Sales and use taxes	11,253,736	-	-	-	-	11,081,040	-	-	22,334,776
Earnings on investments	29,828	54,301	2,967	-	-	472	-	1,721	89,289
Food services - paid meals	-	-	-	-	-	-	-	54,680	54,680
Other	486,608	547,862	-	-	-	-	-	1,955,123	2,989,593
State sources:									
Unrestricted grants-in-aid, MFP	16,985,894	-	-	-	-	-	-	204,000	17,189,894
Restricted grants-in-aid	13,041	-	-	-	-	-	-	1,111,730	1,124,771
Revenue sharing	141,727	-	-	-	-	-	-	-	141,727
Federal grants	-	-	-	-	-	-	3,472,105	9,012,675	12,484,780
TOTAL REVENUES	40,667,655	602,163	7,148,899	6,887,770	6,887,770	11,081,512	3,472,105	12,339,929	89,087,803
EXPENDITURES									
Current:									
Instruction:									
Regular education programs	14,408,625	-	-	3,585,588	1,712,871	1,607,188	60,453	145,953	21,520,678
Special education programs	4,247,419	-	-	839,044	2,345,052	768,472	-	677,648	8,877,635
Other education programs	3,443,292	-	-	714,390	636,583	574,870	2,623,676	6,203,409	14,196,220
Support:									
Pupil support services	2,496,169	-	-	314,985	300,772	263,686	40,314	473,484	3,889,410
Instructional staff services	1,443,803	-	-	167,466	179,425	97,767	-	557,965	2,446,426
General administration services	1,450,325	-	-	234,264	236,893	115,607	-	5,515	2,042,604
School administration services	3,109,652	-	-	283,566	244,530	69,513	-	-	3,707,261
Business administration services	392,397	-	-	31,047	51,922	22,726	-	-	498,092
Plant operation and maintenance	6,278,217	-	-	200,150	225,060	202,014	326,407	-	7,231,848
Student transportation	3,593,103	-	-	5,406	5,910	7,236	158,291	32,861	3,802,807
Food services	-	-	-	227,149	216,367	-	38,798	3,243,370	3,725,684
Central services	340,393	-	-	22,894	21,081	40,113	-	-	424,481
Appropriations:									
Charter school	1,337,155	-	-	-	-	-	-	-	1,337,155
Facility acquisition and construction	-	8,160	240,792	-	-	-	-	2,863,605	3,112,557
Debt service - principal	-	-	3,630,000	-	-	-	-	-	3,630,000
Debt service - interest	-	-	3,930,856	-	-	-	-	-	3,930,856
TOTAL EXPENDITURES	42,540,550	8,160	7,801,648	6,625,949	6,176,466	3,769,192	3,247,939	14,203,810	84,373,714
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,872,895)	\$ 594,003	\$ (652,749)	\$ 261,821	\$ 711,304	\$ 7,312,320	\$ 224,166	\$ (1,863,881)	\$ 4,714,089

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	General	Capital Projects	Debt Service	2007 Property Tax	2017 Property Tax	EFID Sales Tax	ESSERF	Other Non-major Governmental	Total
<u>OTHER FINANCING SOURCES (USES)</u>									
Transfers in	\$ 6,247,991	\$ -	\$ 406,000	\$ -	\$ -	\$ -	\$ -	\$ 75,208	\$ 6,729,199
Transfers out	(458,311)	-	-	-	-	(5,900,000)	(224,166)	(146,722)	(6,729,199)
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,789,680</u>	<u>-</u>	<u>406,000</u>	<u>-</u>	<u>-</u>	<u>(5,900,000)</u>	<u>(224,166)</u>	<u>(71,514)</u>	<u>-</u>
<u>NET CHANGES IN FUND BALANCE</u>	<u>3,916,785</u>	<u>594,003</u>	<u>(246,749)</u>	<u>261,821</u>	<u>711,304</u>	<u>1,412,320</u>	<u>-</u>	<u>(1,935,395)</u>	<u>4,714,089</u>
Fund balances, June 30, 2021	<u>5,307,967</u>	<u>6,658,338</u>	<u>2,101,585</u>	<u>1,441,145</u>	<u>694,318</u>	<u>1,584,643</u>	<u>-</u>	<u>5,918,636</u>	<u>23,706,632</u>
FUND BALANCES, JUNE 30, 2022	<u><u>\$ 9,224,752</u></u>	<u><u>\$ 7,252,341</u></u>	<u><u>\$ 1,854,836</u></u>	<u><u>\$ 1,702,966</u></u>	<u><u>\$ 1,405,622</u></u>	<u><u>\$ 2,996,963</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,983,241</u></u>	<u><u>\$ 28,420,721</u></u> (concluded)

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, and
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Total Net Changes in Fund Balance - Governmental Funds		\$ 4,714,089
Proceeds from sale of assets held for sale		(405,100)
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 1,625,568	
Depreciation expense for year ended June 30, 2022	<u>(5,119,992)</u>	(3,494,424)
Change in accrued interest on long-term debt		47,917
Long Term Debt:		
Principal portion of debt service payments	\$ 3,630,000	
Amortization of premium on issuance of debt	686,172	
Pension privatization liability payments	36,092	
Change in claims and judgments	(15,000)	
Change in compensated absences payable	<u>(96,122)</u>	4,241,142
Change in total other post-employment liability and deferred inflows and outflows of resources in accordance with GASB 75		(2,150,697)
Change in Net pension liability and deferred inflows and outflows of resources in accordance with GASB 68		<u>7,686,679</u>
Change in Net Position - Governmental Activities		<u><u>\$ 10,639,606</u></u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. **GENERAL INFORMATION**

The West Baton Rouge Parish School Board (School Board) is a corporate body created under Louisiana Revised Statutes 17:51. A board consisting of 10 members (the Board) elected from legally established districts is charged with the management and operation of the school system.

The school system is composed of a central office and 10 schools. Student enrollment as of October 2021 was approximately 4,000. The regular school term normally begins during the middle of August and runs until the end of May.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the School Board conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles.

A. **Financial Reporting Entity**

The Governmental Accounting Standards Board (GASB) establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units, defined by GASB Section 2100 as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. **Fund Accounting**

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Emphasis of fund financial reporting is on the major funds. Non-major funds (by category) or fund type are summarized into a single column. The major funds of the School Board consist of the General Fund, Capital Projects Fund, Debt Service Fund, 2007 Property Tax Fund, 2017 Property Tax Fund, the Educational Facilities Improvement District (EFID) Sales Tax Fund, and the Elementary and Secondary School Emergency Relief Fund (ESSERF).

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

B. Fund Accounting (continued)

Funds of the School Board are classified into a broad category: Governmental, as discussed below.

Governmental Fund Types:

Governmental funds are used to account for all or most of the School Board's general operating and capital outlay activities. These funds focus on the sources, uses and balances of the current financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental fund types:

General Fund - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Capital Projects Fund - The Capital Projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

C. Basis of Presentation

The School Board's basic financial statements consist of the government-wide statements and fund financial statements (individual major fund, combined non-major fund, and fiduciary fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Accounting and Financial Reporting Standards*. The government-wide financial statements also employ many private sector standards through the guidance included in GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

D. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School Board.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Sales taxes are recognized when the underlying sales transactions occur and property taxes are recognized when a legally enforceable claim arises. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program Revenues

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

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatments applied to a fund are determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Such revenue items are ad valorem taxes, sales taxes and state and federal entitlements. Sales and use taxes and ad valorem taxes are considered "available" when expected to be collected within 60 days of year end. Revenue from state and federal grants is recorded when the reimbursable expenditures have been incurred and is considered available if collected within six months after year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees and general long-term obligations principal and interest payments are recognized only when due.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

E. Budget and Budgetary Accounting

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

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. All of the Special Revenue Funds have legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis.

Prior to September 15, the Superintendent submits to the Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1.

The operating budgets include proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

Formal budgetary integration is employed as a management control device during the year for the General Fund Special Revenue Funds, and Capital Projects Fund. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Budgeted amounts are as originally adopted or as amended by the Board. The General Fund budget is adopted prior to September 15 by the Board. Legally the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the fund level and management can transfer amounts between line items.

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15 by the Board. Grant funds are included in Special Revenue Funds and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are re-appropriated at the beginning of the following fiscal year. Un-encumbered appropriations of certain non-grant-oriented Special Revenue Funds lapse at the end of the fiscal year.

The Capital Projects Fund budget is adopted prior to September 15 by the Board. Although, by statute, the Board is not required to adopt a budget for its Capital Projects Fund.

All budget amounts presented in the combined financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. All budget revisions are approved by the 10-member Board.

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and certificates of deposits with maturity dates within three months of the dates acquired.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

G. Investments

Investments are limited by LSA-R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investment income includes interest earned, realized gains and losses, and unrealized gains and losses.

H. Inventory

Inventory is stated at the lower of cost or market based on information provided by the United States Department of Agriculture. Inventory consists of expendable supplies and food items held for consumption. The costs of inventory items are recognized as expenditures when used.

I. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of the donation. The School Board maintains a \$5,000 threshold level for capitalizing assets.

Capital assets are recorded in the GWFS, but are not recorded in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 40 years for buildings and 5 to 20 years for equipment.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2002 were considered to be part of the cost of buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other capital assets.

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

J. Assets Held for Sale

Individual long-lived assets to be disposed of by sale are classified as held for sale if the following criteria are met:

- The carrying amount will be recovered principally through a sale rather than through continuing use;
- The disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for such sales; and
- The sale is highly probable

Assets held for sale are carried at the lower of their carrying amount or fair value less costs to sell and are presented separately on the statements of financial position.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

K. Interfund Transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. For purposes of the statement of activities, all interfund transactions between individual government funds have been eliminated.

L. Sales and Use Tax

The School Board levies two separate sales taxes on taxable sales within the Parish. The sales tax is collected by West Baton Rouge Parish Department of Revenue and remitted to the School Board in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax in the month after collection by vendors.

In October 1965, the voters of the parish approved a permanent one percent sales and use tax. The net proceeds (after deduction for the cost of collection) are dedicated for salaries of teachers and for the general operations of the schools. Proceeds from this tax are included as revenue in the General Fund.

In May 1999, the voters of the parish approved an additional one percent sales and use tax. The net proceeds (after deduction for cost of collection) are dedicated as follows: 1) 45% to be used for teachers' and support staff salaries; 2) 55% to eliminate operating deficits of the General Fund by providing monies to pay the cost of operation and maintenance of the school system. Proceeds from this tax are included as revenues in the Educational Facilities Improvement District Special Revenue Fund.

M. Compensated Absences

Teachers and other school employees accrue from 10 to 13 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, accumulated sick leave beyond 25 days is used in the retirement benefit computation as earned service.

All 12-month employees earn from 10 to 20 days of annual vacation leave per year depending on length of service with the School Board. Vacation leave can be accumulated and up to 50 days can be carried forward. Upon separation, all unused vacation is paid to the employee.

In Governmental Fund types, sick and vacation leave that has been claimed by employees as of the end of the fiscal year is recorded as an expenditure in the year claimed. Sick leave accrued as of the end of the fiscal year is valued using employees' current rates of pay. Accrued sick leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick and vacation leave forfeited when employees resign or retire.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

M. **Compensated Absences** (continued)

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

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

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

Liability for sick leave should be accrued using one of the following termination approaches:

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

N. **Pension Plans**

The School Board is a participating employer in two defined benefit pension plans (plans) as described in Note 5. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

O. **Government-wide Net Position**

The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

O. **Government-wide Net Position** (continued)

Restricted net position reflects net position when there are limitations imposed on a net position's use by external parties such as creditors, grantors, laws or regulations of other governments. Restricted net position consists of restricted assets less liabilities related to restricted assets less deferred inflows related to restricted assets. Liabilities and deferred inflows related to restricted assets include liabilities and deferred inflows to be liquidated with restricted assets and arising from the same resource flow that results in restricted assets. When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

P. **Fund Equity of Fund Financial Statements**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below in accordance with Governmental Accounting Standards Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Nonspendable – Represents nonspendable balances that are not expected to be converted to cash.

Spendable:

Restricted – Represents balances where constraints have been established by parties outside the School Board or by enabling legislation.

Committed – Represents balances where constraints have been established by formal action of the School Board. A simple majority vote in a public meeting is required to establish, modify, or rescind a fund balance commitment.

Assigned – Represents balances where informal constraints have been established by the School Board or committee or delegate thereof, but are not restricted nor committed.

Unassigned – Represents balances for which there are no constraints.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

Q. **Use of Estimates**

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two types of items that qualify for reporting in this category. It has deferred outflows of resources related to pension contributions and deferred outflows of resources related to the net pension liability. See Note 5 for additional information on deferred outflows of resources related to defined benefit pension plans. The School Board also has deferred outflows of resources related to total other post-employment benefit liability. See Note 6 for additional information on deferred outflows of resources related to the total post-employment benefit liability.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has one item that qualifies for reporting in this category. It has deferred inflows of resources related to the net pension liability. See Note 5 for additional information on deferred inflows of resources related to defined benefit pension plans.

S. Newly Adopted Accounting Standards

The Government has implemented GASB Statement No. 87, *Leases*. Under this Statement, lease contracts, as defined, are financings of the right to use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources, and a lessee recognizes a lease liability and intangible right-to-use asset, thereby enhancing the relevance and consistency of information about governments' leasing activities. Lease receivables as well as lease liabilities are measured at the present value of lease payments over the term of each respective contract. Options to renew the lease are included in the lease term if reasonably certain to be exercised. For the year ended June 30, 2022, no significant leases were identified.

3. **EQUITY IN POOLED CASH, DEPOSITS, AND INVESTMENTS**

A. Equity in Pooled Cash

Cash and investments consist of demand deposit accounts and certificates of deposit at a local bank. The School Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the combined balance sheet as "Cash." Negative book cash balances are included in "Due to Other Funds" on the combined balance sheet.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. **EQUITY IN POOLED CASH, DEPOSITS, AND INVESTMENTS** (continued)

B. Deposits

The carrying amount of the School Board’s deposits including certificates of deposit classified as investments with financial institutions was \$27,412,710 and the bank balances were \$28,933,774. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the School Board’s deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2022, the School Board’s deposits were not exposed to custodial credit risk. Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and political subdivisions.

C. Investments

Investments	Fair Value	Years to Maturity	
		Less than 1	1 - 5
Investments at fair value			
Certificates of deposit	\$ 3,071,925	\$ 2,071,925	\$ 1,000,000
Subtotal investments at fair value	<u>3,071,925</u>	<u>2,071,925</u>	<u>1,000,000</u>
Investments measured at the net asset value (NAV)			
External investment pool	433,116	433,116	-
Total investments measured at NAV	<u>433,116</u>	<u>433,116</u>	<u>-</u>
Total investments	<u>\$ 3,505,041</u>	<u>\$ 2,505,041</u>	<u>\$ 1,000,000</u>

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments consist of certificates of deposit with original maturities of greater than 90 days.

Amounts invested in an external investment pool, Louisiana Asset Management Pool, totaled \$433,116. 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 is a is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor’s.
- Custodial credit risk: LAMP participants’ investments in the pool are evidenced 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 School Board’s investment is with the pool, not the securities that make up the pool; therefore, no public disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. **EQUITY IN POOLED CASH, DEPOSITS, AND INVESTMENTS** (continued)

C. Investments (continued)

- Interest rate risk: 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 WAM for LAMP’s total investments is 56 days as of June 30, 2022.
- Foreign currency risk: Not applicable.

The investments 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. The School Board reports its investment in LAMP at net asset value.

There were not any unfunded commitments related to the LAMP investments at June 30, 2022.

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.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 650 Poydras St., Suite 2220, New Orleans, LA 70130.

4. **AD VALOREM TAXES**

Ad valorem (property) taxes were levied for the fiscal year 2022 by the School Board based on the assessed valuation of property as of January 1, 2021. These taxes become due and payable on November 15 of each year and become delinquent after December 31 of the year levied.

Total assessed value was \$633,014,020 in calendar year 2021. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer’s primary residence from parish property taxes. This homestead exemption was \$51,482,858 of the assessed value in calendar year 2021.

A summary of the various taxes levied for 2021 is as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund:			
Constitutional School Tax	4.39	4.39	N/A
Special	15.00	15.00	2023
Special – Salaries (I)	12.00	12.00	2026
Special – Salaries (II)	12.00	12.00	2026
Debt Service (Special II)	12.45	12.45	2036

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

4. **AD VALOREM TAXES** (continued)

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed. All property taxes are recorded in the General Fund, the Debt Service Fund, the 2007 Property Tax Fund, and the 2017 Property Tax Fund on the basis explained in Note 2D. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year end.

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

5. **DEFINED BENEFIT PENSION PLANS**

The School Board is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL), and the Louisiana School Employees' Retirement System (LSERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

TRSL:
8401 United Plaza Blvd.
P. O. Box 94123
Baton Rouge, Louisiana
70804-9123
(225) 925-6446
www.trsl.org

LSERS:
8660 United Plaza
Blvd.
Baton Rouge, LA
70804
(225) 925-6484
www.lasers.net

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

The School Board applies Government Accounting Standards Board (GASB) Statement 68 on *Accounting and Financial Reporting for Pensions* and Statement 71 on *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68*. These standards require the School Board to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

Plan Descriptions:

Teachers’ Retirement System of Louisiana (TRSL) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees who meet the legal definition of a “teacher” as provided for in LRS 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:761.

Louisiana School Employees’ Retirement System (LSERS) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to school employees as defined in LRS 11:1002. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:1141.

Cost of Living Adjustments:

The pension plans in which the School System participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to these systems, (TRSL and LSERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to funded status and interest earnings.

Funding Policy:

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee. In accordance with state statute, TRSL 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.

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2022, for the School Board and covered employees were as follows:

	<u>School Board</u>	<u>Employees</u>
Teachers' Retirement System:		
Regular Plan	25.20%	8.00%
Plan A	25.20%	9.10%
School Employees' Retirement System	28.70%	7.50% - 8.00%

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Funding Policy: (continued)

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Teachers' Retirement System	\$ 7,763,351	\$ 7,748,361	\$ 7,402,126
School Employees' Retirement System	262,540	222,743	178,286

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

The following schedule lists the School Board's proportionate share of the Net Pension Liability allocated by each of the pension plans for based on the June 30, 2021 measurement date. The School Board uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2022 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2021 along with the change compared to the June 30, 2020 rate. The School Board'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.

	<u>Net Pension Liability at June 30, 2021</u>	<u>Rate at June 30, 2021</u>	<u>Increase (Decrease) to June 30, 2020 Rate</u>
Teachers' Retirement System	\$ 32,965,525	0.6175%	0.0280%
School Employees' Retirement System	<u>1,202,229</u>	0.2529%	0.0513%
	<u>\$ 34,167,754</u>		

The following schedule list each pension plan's recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions by the School Board for the year ended June 30, 2022:

	<u>Pension Expense</u>
Teachers' Retirement System	\$ 233,246
School Employees' Retirement System	<u>105,963</u>
	<u>\$ 339,209</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

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

At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 194,373	\$ (515,927)
Changes of assumptions	3,248,558	(22,710,081)
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	3,006,390	(958,995)
Employer contributions subsequent to the measurement date	<u>8,025,891</u>	-
Total	<u>\$ 14,475,212</u>	<u>\$ (24,185,003)</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Teachers' Retirement System	\$ 13,908,896	\$ (23,691,403)
School Employees' Retirement System (LSERS)	<u>566,316</u>	<u>(493,600)</u>
	<u>\$ 14,475,212</u>	<u>\$ (24,185,003)</u>

The School Board reported a total of \$8,025,891 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2022. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Teachers' Retirement System	\$ 7,763,351
School Employees' Retirement System (LSERS)	<u>262,540</u>
	<u>\$ 8,025,891</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

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

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

<u>Year</u>	<u>TRSL</u>	<u>LSERS</u>	<u>Total</u>
2023	\$ (3,402,733)	\$ 37,142	\$ (3,365,591)
2024	(3,828,701)	64,232	(3,764,469)
2025	(4,140,760)	(110,221)	(4,250,981)
2026	(6,173,664)	(180,977)	(6,354,641)
	<u>\$ (17,545,858)</u>	<u>\$ (189,824)</u>	<u>\$ (17,735,682)</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2022 are as follows:

	TRSL	LSERS
Valuation Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Expected Remaining Service Lives	5 years	3 years
Investment Rate of Return	7.40% net of investment expenses (decreased from 7.45% in 2020)	6.90% per annum; net of plan investment expenses, including inflation (decreased from 7.00% in 2020)
Inflation Rate	2.30% per annum	2.50% per annum

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Actuarial Assumptions (continued)

Mortality	<p>Mortality rates were projected based on:</p> <p>Active Members - RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.</p> <p>Non-Disabled retiree/inactive members - RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.</p> <p>Disability retiree mortality - RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.</p> <p>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.</p>	<p>Mortality rates based on the RP-2014 Healthy Annuitant Tables; RP-2014 Sex Distinct Employee Tables; RP-2014 Sex Distinct Disabled Tables</p>
Termination, Disability, and Retirement	<p>Termination, disability, and retirement assumptions were projected based on a five year (July 1, 2013 - June 30, 2017) experience study of the System's members.</p>	
Salary Increases	<p>3.1% - 4.6% varies depending on duration of service.</p>	<p>Salary increases were projected based on the 2018 experience study (for the period 2013-2017), of the System's members set at 3.25%.</p>
Cost of Living Adjustments	<p>None.</p>	<p>Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.</p>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Actuarial Assumptions (continued)

The following schedule lists the methods used by each of the retirement systems in determining the long-term rate of return on pension plan investments:

TRSL	LSERS
<p>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 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 7.87% for 2021.</p>	<p>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.</p>

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2021:

Asset Class	Target Allocation		Long-term Expected Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Domestic equity	27.0%	-	4.21%	-
International equity	19.0%	-	5.23%	-
Equity	-	39.0%	-	2.84%
Domestic fixed income	13.0%	-	0.44%	-
International fixed income	5.5%	-	0.56%	-
Fixed income	-	26.0%	-	0.76%
Alternatives	-	23.0%	-	1.87%
Private equity	25.5%	-	8.48%	-
Other private equity	10.0%	-	4.27%	-
Real estate	-	12.0%	-	0.60%
Total	100.0%	100.0%		6.07%
Inflation			N/A	2.10%
Expected Arithmetic Nominal Return			N/A	8.17%

N/A – amount not provided by Retirement System

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Actuarial Assumptions (continued)

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL and LSERS was 7.40% and 6.90%, respectively for the year ended June 30, 2022.

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Rates	6.40%	7.40%	8.40%
WBRPSB Share of NPL	\$ 54,554,602	\$ 32,965,525	\$ 14,806,842
LSERS			
Rates	5.90%	6.90%	7.90%
WBRPSB Share of NPL	\$ 1,851,495	\$ 1,202,229	\$ 647,246

Payables to the Pension Plan

The School Board recorded accrued liabilities to each of the Retirement Systems for the year ended June 30, 2022 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. The balance due to each for the retirement systems at June 30, 2022 is as follows:

	<u>June 30, 2022</u>
TRSL	\$ 1,073,191
LSERS	-
	<u>\$ 1,073,191</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description – The School Board provides certain continuing health care and life insurance benefits for its retirees, disabled retirees and their eligible beneficiaries. Current employees are eligible for these plan benefits if they retire as members of one of two School Board sponsored retirement systems. These benefits are provided through an Other Post Employment Benefit Plan (the OPEB Plan) categorized as a single-employer defined benefit plan that the School Board administers. The School Board has the authority to establish and/or amend the obligation of the employer, employees and retirees as provided by Louisiana Revised Statute Title 17 Sections 1221 through 1224. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

Benefits Provided – Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and this plan has been deemed to be a single employer defined benefit OPEB plan (within the meaning of GASB 74/75) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement from either the Teachers' Retirement System of Louisiana (TRSL) or the Louisiana School Employees' Retirement System (LSERS). The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 5 years of service. For membership after January 1, 2011, the earliest allowable retirement age is age 60.

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

Employees covered by benefit terms – The June 30, 2022 total OPEB liability was determined using the July 1, 2021 actuarial valuation that included the following employees covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	210
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	483
	693

Total OPEB Liability

The School Board's total OPEB liability of \$54,139,314 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions and other inputs – The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.16% annually (beginning of year for Actuarially Determined Contribution)
	3.54% annually (as of end of year measurement date)
Healthcare cost trend rates	5.50% annually for 10 years, 4.5% thereafter
Mortality	SOA RP-2014 Table

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. **OTHER POST-EMPLOYMENT BENEFITS** (continued)

Total OPEB Liability (continued)

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2022.

Changes in the Total OPEB Liability

Balance at June 30, 2021	<u>\$ 64,744,018</u>
Changes for the year:	
Service cost	1,493,429
Interest	1,381,137
Differences between expected and actual experience	3,705,806
Changes in assumptions	(15,580,129)
Benefit payments	<u>(1,604,947)</u>
Net changes	<u>(10,604,704)</u>
 Balance at June 30, 2022	 <u><u>\$ 54,139,314</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	<u>1.0% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1.0% Increase (4.54%)</u>
Total OPEB liability	<u>\$ 65,430,245</u>	<u>\$ 54,139,314</u>	<u>\$ 45,424,169</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. **OTHER POST-EMPLOYMENT BENEFITS** (continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rates:

	1.0% Decrease (4.50%)	Healthcare Cost Trend Rate (5.50%)	1.0% Increase (6.50%)
Total OPEB liability	\$ 46,520,446	\$ 54,139,314	\$ 64,099,617

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the School Board recognized OPEB expense of \$3,755,644. At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,374,857	\$ (1,332,041)
Changes in assumptions	13,427,433	(14,117,785)
Total	\$ 19,802,290	\$ (15,449,826)

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

Years ending June 30:	
2023	\$ 881,078
2024	881,078
2025	881,078
2026	(756,584)
2027	(1,249,954)
Thereafter	3,715,768
	\$ 4,352,464

7. **GENERAL LONG-TERM OBLIGATIONS**

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

	July 1, 2021	Additions	Reductions	June 30, 2022	Due Within One Year
General Obligation Bonds	\$ 82,110,000	\$ -	\$ (3,250,000)	\$ 78,860,000	\$3,530,000
Bond From Direct Placement					
Limited Tax Revenue Bond	770,000	-	(380,000)	390,000	390,000
Premium on Bonds	11,100,188	-	(686,172)	10,414,016	686,172
Compensated Absences	591,008	172,784	(76,662)	687,130	52,731
Claims and Judgments	30,000	15,000	-	45,000	45,000
Pension Privatization Liability	408,947	53,146	(89,238)	372,855	89,238
Total	\$ 95,010,143	\$ 240,930	\$ (4,482,072)	\$ 90,769,001	\$ 4,793,141

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. **GENERAL LONG-TERM OBLIGATIONS** (continued)

Bonds were issued to provide funds for the acquisition and construction of major capital facilities. Bonds issued included the following:

	<u>Principal Outstanding at June 30, 2022</u>
\$3,400,000 Limited Tax Revenue Bonds, Series 2013, issued August 14, 2013 for the purpose of construction, rehabilitation, or repair of public school facilities due in annual installments of \$285,000 to \$390,000 through March 31, 2023 with interest at 1.1% to 3.5% secured by an annual ad valorem tax levy.	<u>\$ 390,000</u>
\$74,745,000 General Obligation Limited Tax Revenue Bonds, Series 2017, issued July 12, 2017 for the purpose of acquiring and/or improving lands, school buildings and facilities, and the acquiring of necessary equipment and furnishings due in semi-annual installments of \$2,375,000 to \$6,135,000 through March 1, 2037 with interest at 2.0% to 5.0% secured by an annual ad valorem tax levy.	<u>\$ 64,655,000</u>
\$10,500,000 General Obligation Limited Tax Revenue Bonds, Series 2018, issued June 28, 2018 for the purpose of acquiring and/or improving lands, school buildings and facilities, and the acquiring of necessary equipment and furnishings due in semi-annual installments of \$140,000 to \$795,000 through March 1, 2038 with interest at 3.0% to 4.0% secured by an annual ad valorem tax levy.	<u>\$ 9,720,000</u>
\$4,755,000 General Obligation Limited Tax Revenue Bonds, Series 2020, issued March 25, 2020 for the purpose of acquiring and/or improving lands, school buildings and facilities, and the acquiring of necessary equipment and furnishings due in semi-annual installments of \$95,000 to \$340,000 through March 1, 2040 with interest at 3.0% to 4.0% secured by an annual ad valorem tax levy.	<u>\$ 4,485,000</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. **GENERAL LONG-TERM OBLIGATIONS** (continued)

The general obligation bonds were offered for public sale that are subject to the following events of default, termination events, and acceleration clauses:

- *Events of default with finance-related consequences* – These bonds will be in default for failure of payment of principal and interest when due. The School Board has the authority to assess and collect property taxes that will be used to repay this debt.
- *Termination events with finance related consequences* – Events that will result in finance related consequences include bonds being callable early and insufficient taxes levied and collected to meet debt service requirements on all bonds outstanding.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds. There were none.

The limited tax revenue bond is a direct placement bond that is subject to the following events of default, termination events, and acceleration clauses:

- *Events of default with finance-related consequences* – These bonds will be in default for failure of payment of principal and interest when due, non-performance of observance of covenants, agreements, or conditions in Certificate Resolution or supplemental resolution continuing for more than 30 days after written notice of non-performance or observance, and filing petition or seeking relief under Federal or State bankruptcy law.
- *Termination events with finance related consequences* – Events that will result in finance related consequences include bonds being callable early. The School Board is obligated to annually budget a sufficient amount to pay principal and interest to meet annual debt service requirements.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds. There were none.

At June 30, 2022, the School Board has accumulated \$1,854,836 in the debt service fund for future debt retirement. The annual requirements to amortize all bonds at June 30, 2022, including interest of \$34,505,107 are as follows:

Year Ending June 30,	General Obligation Bonds		Bonds from Direct Placement		Total
	Principal	Interest	Principal	Interest	
2023	\$ 3,530,000	\$ 3,773,456	\$ 390,000	\$ 13,650	\$ 7,707,106
2024	3,660,000	3,610,756	-	-	7,270,756
2025	3,855,000	3,440,756	-	-	7,295,756
2026	4,060,000	3,261,406	-	-	7,321,406
2027	4,285,000	3,062,406	-	-	7,347,406
2028 – 2032	25,135,000	11,976,327	-	-	37,111,327
2033 – 2037	32,560,000	5,255,150	-	-	37,815,150
2038 – 2040	1,775,000	111,200	-	-	1,886,200
Total	<u>\$ 78,860,000</u>	<u>\$ 34,491,457</u>	<u>\$ 390,000</u>	<u>\$ 13,650</u>	<u>\$ 113,755,107</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. **GENERAL LONG-TERM OBLIGATIONS** (continued)

In accordance with LSA – R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property within the parish. For the 2021 assessment, the total assessed value of taxable property for the parish was \$633,014,020, which resulted in a statutory limit of \$316,507,010.

Compensated absences payable consist of the portion of accumulated sick and annual leave of the governmental funds that is not of Homestead expected to require current resources. These liabilities will be liquidated through the general and special revenue funds.

Due to the School Board continuing to privatize certain bus driver positions as the employees are retiring or terminated, the retirement system is assessing the school board an unfunded liability of those employees previously in the pension plan. The pension privatization liability will be liquidated through the general fund.

The claims and judgments will be liquidated from the general fund.

8. **ASSETS HELD FOR SALE**

During the year ended June 30, 2022, the School Board sold the Chamberlin School property, which was reported as assets held for sale for year ended June 30, 2021. The property had a fair value on the books of \$405,100 and the property was sold for that amount, resulting in no gain on the sale.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

9. **CAPITAL ASSETS**

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

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Equipment and Fixtures</u>	<u>Construction in Progress</u>	<u>Total</u>
Cost at June 30, 2021	\$ 5,851,903	\$ 2,144,795	\$ 117,423,061	\$ 3,040,932	\$ 4,505,438	\$ 132,966,129
Additions	-	354,146	76,565	67,484	1,127,373	1,625,568
Disposals	-	-	-	-	-	-
Transfers	-	-	2,052,390	-	(2,052,390)	-
Cost at June 30, 2022	<u>\$ 5,851,903</u>	<u>\$ 2,498,941</u>	<u>\$ 119,552,016</u>	<u>\$ 3,108,416</u>	<u>\$ 3,580,421</u>	<u>\$ 134,591,697</u>
Accumulated depreciation at June 30, 2021	\$ -	\$ 1,543,090	\$ 18,329,812	\$ 2,301,177	\$ -	\$ 22,174,079
Additions (* see below)	-	132,164	4,724,451	263,377	-	5,119,992
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Accumulated depreciation at June 30, 2022	<u>\$ -</u>	<u>\$ 1,675,254</u>	<u>\$ 23,054,263</u>	<u>\$ 2,564,554</u>	<u>\$ -</u>	<u>\$ 27,294,071</u>
Capital assets, net of depreciation at June 30, 2022	<u>\$ 5,851,903</u>	<u>\$ 823,687</u>	<u>\$ 96,497,753</u>	<u>\$ 543,862</u>	<u>\$ 3,580,421</u>	<u>\$ 107,297,626</u>

* Depreciation expense of \$5,119,992 for the year ended June 30, 2022 was charged to the following governmental functions:

Regular education programs	\$ 82,701
Special education programs	33,977
Other education programs	43,693
Pupil support services	14,469
Instructional staff services	11,016
General administrative services	6,478
School administration services	13,987
Business and central services	1,766
Plant operation and maintenance	4,881,819
Student transportation services	14,294
Central services	1,756
Food services	14,036
	<u>\$ 5,119,992</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

10. RECEIVABLES

Receivables as of June 30, 2022 for the School Board are as follows by fund:

	<u>General</u>	<u>Debt Service</u>	<u>Property Tax 2007</u>	<u>Property Tax 2017</u>	<u>EFID Sales Tax</u>	<u>ESSERF</u>	<u>Non-Major Governmental</u>	<u>Total</u>
<u>Receivables</u>								
Sales Tax	\$ 955,499	\$ -	\$ -	\$ -	\$ 926,025	\$ -	\$ -	\$1,881,524
Property taxes	-	8,573	8,263	8,263	-	-	-	25,099
Other	-	-	-	-	-	2,973,049	2,401,416	5,374,465
Gross receivables	<u>\$ 955,499</u>	<u>\$ 8,573</u>	<u>\$ 8,263</u>	<u>\$ 8,263</u>	<u>\$ 926,025</u>	<u>\$ 2,973,049</u>	<u>\$ 2,401,416</u>	<u>\$7,281,088</u>

11. INTERFUND TRANSACTIONS

Interfund Receivable/Payable:

<u>Interfund Receivable</u>		<u>Interfund Payable</u>	
General	\$ 4,756,113	General	\$ -
ESSERF	-	ESSERF	2,953,288
Non-Major Governmental	5,515	Non-Major Governmental	1,808,340
Total	<u>\$ 4,761,628</u>	Total	<u>\$ 4,761,628</u>

The primary purpose of interfund advances is to cover expenditures on cost reimbursement grant programs until reimbursements are received from the granting agencies. These amounts are expected to be repaid within one year.

Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 6,247,991	\$ 458,311
Debt Service	406,000	-
EFID Sales Tax	-	5,900,000
ESSERF	-	224,166
Non-major Governmental	75,208	146,722
	<u>\$ 6,729,199</u>	<u>\$ 6,729,199</u>

The purpose of interfund transfers is predominantly to cover operating expenditures of the General Fund through indirect cost recoveries charged to grant programs and through transfers from the EFID Sales Tax Fund to cover eligible costs paid for by the General Fund.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

12. **TRANSPORTATION SERVICES AGREEMENT**

The School Board entered into an agreement with a contractor to supply and maintain school busses and personnel as required to fulfill the School Board's needs for transportation services. The pricing for the agreement is based on the quantity of buses needed, special accessories needed on the bus, and frequency of use per day. The payments are to be made on a monthly basis. The agreement was renewed on July 1, 2020 for a five-year term, ending on June 30, 2025. The payments made during the year ended June 30, 2022 totaled approximately \$3,600,000 for the transportation services agreement.

Management has estimated that the minimum future payments under the agreement in effect at June 30, 2022 are as follows:

<u>Year ended June 30,</u>	
2023	\$ 3,708,000
2024	3,726,000
2025	<u>3,744,000</u>
	<u>\$ 11,178,000</u>

13. **COMMITMENTS**

The School Board has entered into a maintenance agreement for air conditioning services. The payments in the amount of \$60,613 are scheduled in advance monthly over a 3-year period ending May 31, 2024. Payments made during June 30, 2022 related to the maintenance agreement totaled approximately \$800,000, including additional services not included in the agreement.

Minimum future payments under the non-cancellable agreement in effect at the date of financial statements were available to be issued are as follows:

<u>Year ended June 30,</u>	<u>Total</u>
2023	\$ 727,356
2024	<u>727,356</u>
	<u>\$ 1,454,712</u>

The School Board had construction commitments of approximately \$2,074,000 related to the Bond Building Projects at June 30, 2022.

14. **CONTINGENCIES**

Litigation. The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the School Board.

Grant Disallowances. The School Board participates in a number of state and federally assisted grant programs. The programs are subject to audits under the single audit approach as well as audits conducted by the Louisiana and U.S. Department of Education. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

15. **EDUCATION EXCELLENCE FUND**

Pursuant to Act #161 of the 2002 First Extraordinary Session of the Legislature, the State of Louisiana established the Education Excellence Fund (EEF) for the oversight, appropriation, and disposition of proceeds from the tobacco settlements. These funds are dedicated for use in educational programs, and are available to local school districts, subject to the approval of an expenditure plan by the Louisiana Department of Education. The funds are held and invested by the Treasurer of the State of Louisiana on behalf of local school districts and are disbursed in accordance with approved expenditure plans. At June 30, 2022, the School Board's EEF funds invested through the Treasurer totaled approximately \$928,000. These funds are recognized as revenue to the School Board upon submission and subsequent approval of an annual expenditure plan. The School System expended approximately \$67,000 during the 2021-2022 fiscal year in accordance with its respective expenditure plan.

16. **DETAILED RESTRICTED NET POSITION AND FUND BALANCES**

a. Details of restricted net position as reported in the entity-wide Statement of Net Position are as follows:

	<u>Governmental Activities</u>
Net Position Restricted for:	
Specific programs:	
State, federal, and donor grants	\$ 139,409
Food service	<u>1,443,873</u>
Total Net Position restricted for specific programs	<u>1,583,282</u>
Debt service	<u>592,468</u>
Capital projects	<u>7,252,341</u>
External legal constraints:	
Dedicated property and sales taxes authorized by the electorate to specific special revenue funds – salaries and benefits	4,457,221
Dedicated sales taxes authorized by the electorate for specific revenue funds – operations and maintenance	<u>1,648,330</u>
Total net position restricted for external legal constraints	<u>6,105,551</u>
Total Restricted Net Position	<u>\$ 15,533,642</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

16. **DETAILED RESTRICTED NET POSITION AND FUND BALANCES** (continued)

b. Details of nonspendable, restricted, committed, and unassigned fund balances at year-end are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>2007 Property Tax</u>	<u>2017 Property Tax</u>	<u>EFID Sales Tax</u>	<u>ESSERF</u>	<u>Other Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:									
Nonspendable:									
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166,373	\$ 166,373
Restricted for:									
Food service	-	-	-	-	-	-	-	1,277,500	1,277,500
Capital improvements	-	7,252,341	-	-	-	-	-	1,456,656	8,708,997
State, federal, and donor grants	-	-	-	-	-	-	-	1,082,712	1,082,712
Dedicated property taxes:									
Debt service	-	-	1,854,836	-	-	-	-	-	1,854,836
Salaries and benefits	-	-	-	1,702,966	1,405,622	-	-	-	3,108,588
Dedicated sales taxes:									
Salaries and benefits	-	-	-	-	-	1,348,633	-	-	1,348,633
Operations and maintenance	-	-	-	-	-	1,648,330	-	-	1,648,330
Total Restricted	-	7,252,341	1,854,836	1,702,966	1,405,622	2,996,963	-	3,816,868	19,029,596
Unassigned	9,224,752	-	-	-	-	-	-	-	9,224,752
Total fund balances	<u>\$ 9,224,752</u>	<u>\$ 7,252,341</u>	<u>\$ 1,854,836</u>	<u>\$ 1,702,966</u>	<u>\$ 1,405,622</u>	<u>\$ 2,996,963</u>	<u>\$ -</u>	<u>\$ 3,983,241</u>	<u>\$ 28,420,721</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

17. Current Accounting Standards Scheduled to be Implemented

Following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the School Board’s financial report:

GASB Statement 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The School Board will include the requirements of this standard, as applicable, in its June 30, 2023 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement is intended to improve financial reporting in relation to these types of arrangements. The requirements of this statement are effective for periods beginning after June 15, 2022. The School Board will include the requirements of this statement, as applicable, in its June 30, 2023 financial statements. The effect of this statement or its applicability to the School Board are unknown at this time.

GASB Statement 96, *Subscription Based Information Technology Arrangements*. The statement will require the recognition of lease assets and liabilities for technology arrangements similar to that which is required lease of other assets required by GASB Statement No. 87. As such, an intangible right to use asset and a liability will be recorded. The standard is effective for annual reporting periods beginning after June 15, 2022. The School Board will include the requirements of this standard, as applicable, in its June 30, 2023 financial statements. All of the School Board’s cloud-computing agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the School Board are unknown at this time.

18. Disaggregation of Accounts Payable and Accrued Liabilities

Accounts, salaries and other payables as of June 30, 2022, were as follows:

Vendors	\$ 596,324
Salaries and benefits	<u>6,276,242</u>
Total governmental fund liabilities	<u>\$ 6,872,566</u>

19. Tax Revenues Abated

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer’s new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry and the School Board. The exemption may be renewed for an additional three years up to 80% of the tax that would be due. For the fiscal year ending June 30, 2022, \$12,800,519 in West Baton Rouge Parish School Board ad valorem tax revenues were abated by the State of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

20. Appropriations to Charter Schools

Appropriations to Type 2 Charter Schools during the year ended June 30, 2022 were as follows:

	<u>General Fund</u>
Type 2 Charter Schools	
Madison Prep	\$ 29,360
Collegiate Academy	11,744
Louisiana Key Academy	152,672
Advantage Charter Academy	23,488
Iberville Charter Academy	522,968
GEO Prep Mid-City	11,744
GEO Prep Academy	23,488
Louisiana Virtual Charter Academy	42,685
University View Academy	512,626
Subtotal – Type 2 Charter Schools	1,330,775
Office of Juvenile Justice (OJJ)	6,380
Grand Total	\$ 1,337,155

Charter schools are entitled to receive an apportionment of local tax revenue. That amount, determined by the Louisiana Department of Education, is withheld from the School Board’s MFP funding and remitted to the charter schools. An appropriation of \$1,337,155 has been recorded for the School Board’s apportionment of local taxes to the charter schools.

21. Subsequent Events

On November 8, 2022, the citizens of West Baton Rouge Parish voted to approve the renewal of the Special 15 millage ad valorem tax for the period beginning tax calendar year 2024 and ending tax calendar year 2033.

In March 2023, the School Board issued Limited Tax Revenue Bonds of \$9,500,000, Series 2023, for the purpose of construction, rehabilitation, equipping or repair of public school facilities. The bonds are to be payable from ad valorem taxes to be levied with an estimated 4.39 mills in the first year.

WEST BATON ROUGE PARISH SCHOOL BOARD

MAJOR FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the School Board which are not legally required or required by sound accounting practices to be accounted for in another fund.

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources to be used for the renovation of major capital facilities.

DEBT SERVICE FUND

This fund accumulates funds for the payment of the 2013 general obligation limited tax revenue bonds and the general obligation bonds, series 2017, 2018 and 2020.

PROPERTY TAX (2007 AND 2017) FUNDS

The Property Tax Special Revenue Fund accounts for both of the 10 year, 12 mills property taxes. The purpose of these taxes is to give additional support to the public elementary and secondary schools in the district by providing funds for improving and maintaining salaries and benefits of teachers and other public school personnel employed by the School Board as well as to help pay for the debt incurred from the 2017, 2018, and 2020 General Obligation Bonds.

EDUCATIONAL FACILITIES IMPROVEMENT DISTRICT FUND

The Educational Facilities Improvement District (EFID) Special Revenue Fund accounts for the collection of a 1 percent sales and use tax; 45% of which is dedicated to salaries and 55% of which is available for general operations.

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND (ESSERF)

The ESSERF is a Special Revenue Fund. Congress allotted to the Fund through the CARES Act. The Department awarded grants to state education agencies (SEAs) for the purpose of providing local education agencies (LEAs) with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 11,678,738	\$ 11,678,738	\$ 11,756,821	\$ 78,083
Sales and use	9,801,000	9,801,000	11,253,736	1,452,736
Earnings on investments	22,800	22,800	29,828	7,028
Other	366,000	366,000	486,608	120,608
State sources:				
Unrestricted grants-in-aid	16,488,848	16,488,848	16,985,894	497,046
Restricted grants-in-aid	10,100	10,100	13,041	2,941
Revenue sharing	138,950	138,950	141,727	2,777
Total revenues	38,506,436	38,506,436	40,667,655	2,161,219
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	14,628,656	14,628,656	14,408,625	220,031
Special education programs	4,690,020	4,690,020	4,247,419	442,601
Other education programs	3,487,971	3,487,971	3,443,292	44,679
Support services:				
Pupil support services	2,530,979	2,530,979	2,496,169	34,810
Instructional staff services	1,863,538	1,863,538	1,443,803	419,735
General administration services	1,346,094	1,346,094	1,450,325	(104,231)
School administration services	2,873,150	2,873,150	3,109,652	(236,502)
Business administration services	425,244	425,244	392,397	32,847
Plant operation and maintenance	4,754,214	4,754,214	6,278,217	(1,524,003)
Transportation	3,667,622	3,667,622	3,593,103	74,519
Central services	381,891	381,891	340,393	41,498
Appropriations:				
Charter school	1,196,567	1,196,567	1,337,155	(140,588)
Total expenditures	41,845,946	41,845,946	42,540,550	(694,604)
Excess (deficiency) of revenues over expenditures	\$ (3,339,510)	\$ (3,339,510)	\$ (1,872,895)	\$ 1,466,615

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Other financing sources (uses):</u>				
Operating transfers in	\$ 6,100,350	\$ 6,100,350	\$ 6,247,991	\$ 147,641
Operating transfers out	<u>(451,000)</u>	<u>(451,000)</u>	<u>(458,311)</u>	<u>(7,311)</u>
Total other financing sources (uses)	<u>5,649,350</u>	<u>5,649,350</u>	<u>5,789,680</u>	<u>140,330</u>
Net changes in fund balance	<u>2,309,840</u>	<u>2,309,840</u>	<u>3,916,785</u>	<u>1,606,945</u>
Fund balances, June 30, 2021	<u>5,307,966</u>	<u>5,307,966</u>	<u>5,307,967</u>	<u>1</u>
FUND BALANCES, JUNE 30, 2022	<u>\$ 7,617,806</u>	<u>\$ 7,617,806</u>	<u>\$ 9,224,752</u>	<u>\$ 1,606,946</u> (concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Earnings on investments	\$ 55,750	\$ 55,750	\$ 54,301	\$ (1,449)
Other	<u>610,120</u>	<u>610,120</u>	<u>547,862</u>	<u>(62,258)</u>
Total revenues	<u>665,870</u>	<u>665,870</u>	<u>602,163</u>	<u>(63,707)</u>
<u>Expenditures:</u>				
Facilities acquisition and construction	<u>105,250</u>	<u>105,250</u>	<u>8,160</u>	<u>97,090</u>
Total expenditures	<u>105,250</u>	<u>105,250</u>	<u>8,160</u>	<u>97,090</u>
Net changes in fund balance	560,620	560,620	594,003	33,383
Fund balances, June 30, 2021	<u>6,658,338</u>	<u>6,658,338</u>	<u>6,658,338</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2022	<u>\$ 7,218,958</u>	<u>\$ 7,218,958</u>	<u>\$ 7,252,341</u>	<u>\$ 33,383</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

2007 PROPERTY TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 6,890,400	\$ 6,890,400	\$ 6,887,770	\$ (2,630)
Total revenues	<u>6,890,400</u>	<u>6,890,400</u>	<u>6,887,770</u>	<u>(2,630)</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	3,582,562	3,582,562	3,585,588	(3,026)
Special education programs	875,993	875,993	839,044	36,949
Other education programs	727,906	727,906	714,390	13,516
Support services:				
Pupil support services	339,395	339,395	314,985	24,410
Instructional staff services	179,419	179,419	167,466	11,953
General administration services	213,905	213,905	234,264	(20,359)
School administration services	278,824	278,824	283,566	(4,742)
Business administration services	31,406	31,406	31,047	359
Plant operation and maintenance	209,031	209,031	200,150	8,881
Transportation	5,402	5,402	5,406	(4)
Food services	235,070	235,070	227,149	7,921
Central services	22,829	22,829	22,894	(65)
Total expenditures	<u>6,701,742</u>	<u>6,701,742</u>	<u>6,625,949</u>	<u>75,793</u>
Net changes in fund balance	<u>188,658</u>	<u>188,658</u>	<u>261,821</u>	<u>73,163</u>
Fund balances, June 30, 2021	<u>1,441,145</u>	<u>1,441,145</u>	<u>1,441,145</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2022	<u>\$ 1,629,803</u>	<u>\$ 1,629,803</u>	<u>\$ 1,702,966</u>	<u>\$ 73,163</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

2017 PROPERTY TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 6,890,400	\$ 6,890,400	\$ 6,887,770	\$ (2,630)
Total revenues	<u>6,890,400</u>	<u>6,890,400</u>	<u>6,887,770</u>	<u>(2,630)</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	1,823,411	1,823,411	1,712,871	110,540
Special education programs	2,349,775	2,349,775	2,345,052	4,723
Other education programs	710,422	710,422	636,583	73,839
Support services:		-		
Pupil support services	309,547	309,547	300,772	8,775
Instructional staff services	171,760	171,760	179,425	(7,665)
General administration services	216,253	216,253	236,893	(20,640)
School administration services	244,884	244,884	244,530	354
Business administration services	53,435	53,435	51,922	1,513
Plant operation and maintenance	240,116	240,116	225,060	15,056
Transportation	5,906	5,906	5,910	(4)
Food services	213,526	213,526	216,367	(2,841)
Central services	21,021	21,021	21,081	(60)
Total expenditures	<u>6,360,056</u>	<u>6,360,056</u>	<u>6,176,466</u>	<u>183,590</u>
Net changes in fund balance	<u>530,344</u>	<u>530,344</u>	<u>711,304</u>	<u>180,960</u>
Fund balances, June 30, 2021	<u>694,320</u>	<u>694,320</u>	<u>694,318</u>	<u>(2)</u>
FUND BALANCES, JUNE 30, 2022	<u>\$ 1,224,664</u>	<u>\$ 1,224,664</u>	<u>\$ 1,405,622</u>	<u>\$ 180,958</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

EFID SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Sales and use	\$ 9,621,403	\$ 9,621,403	\$ 11,081,040	\$ 1,459,637
Earnings on investments	85	85	472	387
Total revenues	<u>9,621,488</u>	<u>9,621,488</u>	<u>11,081,512</u>	<u>1,460,024</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	1,585,000	1,585,000	1,607,188	(22,188)
Special education programs	730,001	730,001	768,472	(38,471)
Other education programs	486,351	486,351	574,870	(88,519)
Support services:				
Pupil support services	231,000	231,000	263,686	(32,686)
Instructional staff services	100,000	100,000	97,767	2,233
General administration services	121,000	121,000	115,607	5,393
School administration services	70,000	70,000	69,513	487
Business administration services	22,500	22,500	22,726	(226)
Plant operation and maintenance	192,200	192,200	202,014	(9,814)
Transportation	6,875	6,875	7,236	(361)
Central services	41,500	41,500	40,113	1,387
Total expenditures	<u>3,586,427</u>	<u>3,586,427</u>	<u>3,769,192</u>	<u>(182,765)</u>
Excess (deficiency) of revenues over expenditures	<u>6,035,061</u>	<u>6,035,061</u>	<u>7,312,320</u>	<u>1,277,259</u>
<u>Other financing sources (uses):</u>				
Operating transfers out	<u>(5,900,000)</u>	<u>(5,900,000)</u>	<u>(5,900,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(5,900,000)</u>	<u>(5,900,000)</u>	<u>(5,900,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources (uses)	<u>135,061</u>	<u>135,061</u>	<u>1,412,320</u>	<u>1,277,259</u>
Fund balances, June 30, 2021	<u>1,584,642</u>	<u>1,584,642</u>	<u>1,584,643</u>	<u>1</u>
FUND BALANCES, JUNE 30, 2022	<u>\$ 1,719,703</u>	<u>\$ 1,719,703</u>	<u>\$ 2,996,963</u>	<u>\$ 1,277,260</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

ESSERF FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Federal grants	\$ 7,294,392	\$ 7,294,392	\$ 3,472,105	\$ (3,822,287)
Total revenues	7,294,392	7,294,392	3,472,105	(3,822,287)
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	-	-	60,453	(60,453)
Special education programs	-	-	-	-
Other education programs	6,637,897	6,637,897	2,623,676	4,014,221
Support services:				
Pupil support services	-	-	40,314	(40,314)
Plant operation and maintenance	-	-	326,407	(326,407)
Transportation	-	-	158,291	(158,291)
Food services	-	-	38,798	(38,798)
Total expenditures	6,637,897	6,637,897	3,247,939	3,389,958
Excess (deficiency) of revenues over expenditures	656,495	656,495	224,166	(432,329)
<u>Other financing sources (uses):</u>				
Operating transfers out	(656,495)	(656,495)	(224,166)	432,329
Total other financing sources (uses)	(656,495)	(656,495)	(224,166)	432,329
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources (uses)	-	-	-	-
Fund balances, June 30, 2021	-	-	-	-
FUND BALANCES, JUNE 30, 2022	\$ -	\$ -	\$ -	\$ -

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT
BENEFITS LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022

Financial statement reporting date	Measurement date	Service cost	Interest	Difference between actual and expected experience	Changes of assumptions or other inputs	Benefit payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered payroll	Total OPEB liability as a percentage of covered payroll
6/30/2022	6/30/2022	\$ 1,493,429	\$ 1,381,137	\$ 3,705,806	\$ (15,580,129)	\$ (1,604,947)	\$ (10,604,704)	\$ 64,744,018	\$ 54,139,314	\$ 33,955,095	159.44%
6/30/2021	6/30/2021	1,392,243	1,327,070	2,159,559	620,662	(1,607,825)	3,891,709	60,852,309	64,744,018	32,691,891	198.04%
6/30/2020	6/30/2020	1,340,213	1,700,462	(2,664,080)	12,670,048	(1,557,905)	11,488,738	49,363,571	60,852,309	25,018,713	243.23%
6/30/2019	6/30/2019	1,085,378	1,395,623	2,261,276	9,350,092	(1,582,814)	12,509,555	36,854,016	49,363,571	24,056,455	205.20%
6/30/2018	6/30/2018	820,846	1,321,835	360,552	(1,764,534)	(1,614,870)	(876,171)	37,730,187	36,854,016	30,221,324	121.95%

Notes to Schedule:

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

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF SCHOOL BOARD'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY FOR THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2022 (*)

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Teachers Retirement System of Louisiana						
	2022	0.6175%	\$ 32,965,525	\$ 30,032,408	109.7665%	83.90%
	2021	0.5895%	65,568,775	28,469,714	230.3106%	65.60%
	2020	0.5899%	58,543,624	27,376,713	213.8446%	68.60%
	2019	0.6064%	59,600,258	27,851,138	213.9958%	68.20%
	2018	0.5796%	59,423,571	25,680,021	231.4000%	65.60%
	2017	0.5922%	69,501,272	26,664,308	260.6528%	59.90%
	2016	0.5892%	63,352,310	25,944,754	244.1816%	62.50%
	2015	0.5682%	58,079,211	22,578,785	257.2291%	63.70%
Louisiana School Employees Retirement System						
	2022	0.2529%	1,202,229	777,493	154.6289%	82.51%
	2021	0.2016%	1,619,870	603,097	268.5920%	69.67%
	2020	0.2094%	1,466,062	609,280	240.6220%	73.49%
	2019	0.2420%	1,616,665	720,993	224.2276%	74.44%
	2018	0.2206%	1,411,442	633,946	222.6439%	75.03%
	2017	0.2372%	1,789,048	668,202	267.7406%	70.09%
	2016	0.2337%	1,482,227	661,606	224.0347%	74.49%
	2015	0.2417%	1,400,959	683,611	204.9351%	76.18%

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

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Pension Plan</u>	<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll³</u>	<u>Contributions as a % of Covered Payroll</u>
Teachers Retirement System of Louisiana						
	2022	\$ 7,763,351	\$ 7,763,351	-	\$ 30,806,948	25.2000%
	2021	7,748,361	7,748,361	-	30,032,408	25.8000%
	2020	7,402,126	7,402,126	-	28,469,714	26.0000%
	2019	7,309,582	7,309,582	-	27,376,713	26.7000%
	2018	7,408,403	7,408,403	-	27,851,138	26.6000%
	2017	6,548,405	6,548,405	-	25,680,021	25.5000%
	2016	7,012,713	7,012,713	-	26,664,308	26.3000%
	2015	7,264,531	7,264,531	-	25,944,754	28.0000%
Louisiana School Employees Retirement System						
	2022	262,540	262,540	-	915,229	28.6900%
	2021	222,743	222,743	-	777,493	28.6500%
	2020	178,286	178,286	-	603,097	29.5600%
	2019	170,598	170,598	-	609,280	28.0000%
	2018	208,749	208,749	-	720,993	28.9500%
	2017	194,606	194,606	-	633,946	30.7000%
	2016	225,812	225,812	-	668,202	33.7900%
	2015	218,330	218,330	-	661,606	33.0000%

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

For reference only:

¹ *Employer contribution rate multiplied by employer's covered payroll.*

² *Actual employer contributions remitted to Retirement Systems.*

³ *Employer's covered employee payroll amount for the year ended June 30 of each year.*

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans**

Changes of Benefit Terms include:

Following is a listing of changes in benefit terms, as applicable, for the two pension plans for the years presented.

Teachers Retirement System of Louisiana and Louisiana State Employees' Retirement System

2016 - Act 93 of the 2016 provides for a 1.5% permanent benefit increase on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16 for those retired on or before 6/30/15 who are at least the age of 60.

Louisiana School Employees Retirement System

2016 - Act 93 of the 2016 provides for an up to 2.0% COLA on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16.

Changes of Assumptions:

The following discount rate changes were made to the pension plan as identified in the following table:

Discount Rate:		
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2021	7.400%	-0.050%
2020	7.450%	-0.100%
2019	7.550%	-0.100%
2018	7.650%	-0.050%
2017	7.700%	-0.050%
2016	7.750%	-
2015	7.750%	
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
LSERS		
2021	6.900%	-0.1000%
2020	7.000%	-
2019	7.000%	-0.0625%
2018	7.0625%	-0.0625%
2017	7.125%	-
2016	7.125%	0.125%
2015	7.000%	

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans** (continued)

Changes of Assumptions (continued):

The following inflation rate changes were made to the pension plans identified in the following table:

Inflation Rate:		
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2021	2.300%	-
2020	2.300%	-0.200%
2019	2.500%	-
2018	2.500%	-
2017	2.500%	-
2016	2.500%	-
2015	2.500%	
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
LSERS		
2021	2.500%	-
2020	2.500%	-
2019	2.500%	-
2018	2.500%	-0.125%
2017	2.625%	-
2016	2.625%	-0.125%
2015	2.750%	

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

The following mortality table changes were made to the pension plans identified in the following table:

Mortality Table:

<u>Year(*)</u>	<u>Range</u>
TRSL	
2021	No changes
2020	No changes
2019	No changes
2018	Active members – RP-2014 White Collar Employee tables, adjusted 1.010 for males and 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.
2017	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans** (continued)

Changes of Assumptions (continued):

Mortality Table:

<u>Year(*)</u>	<u>Range</u>
LSERS	
2021	No changes
2020	No changes
2019	No changes
2018	RP-2014 Healthy Annuitant, Sex Distinct Employee, Sex Distinct Disabled Tables
2017	RP-2000 Sex Distinct Mortality and Disabled Lives Mortality Tables

The following changes to projected salary increases were made to the pension plans identified in the following table:

Salary:	
<u>Year(*)</u>	<u>Range</u>
TRSL	
2021	3.10% to 4.60% for various member types
2020	3.10% to 4.60% for various member types
2019	3.30% to 4.80% for various member types
2018	3.30% to 4.80% for various member types
2017	3.50% to 10.00% for various member types
2016	3.50% to 10.00% for various member types
2015	3.50% to 10.00% for various member types
<u>Year(*)</u>	<u>Range</u>
LSERS	
2021	3.25%
2020	3.25%
2019	3.25%
2018	3.25%
2017	3.075% to 5.375%
2016	3.200% to 5.500%
2015	3.200% to 5.500%

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

2. **Changes in Benefit Terms and Assumptions Related to the Other Post Employment Liability**

Benefit changes: There were no changes in benefit terms for the year ended June 30, 2022.

Changes in assumptions: The changes in assumptions balance was a result of changes in the discount rate and mortality table used. The following are the discount rates and mortality tables used in each measurement of total OPEB liability.

Discount Rate Assumption:

Measurement Date	Discount Rate
6/30/2022	3.54%
6/30/2021	2.16%
6/30/2020	2.21%
6/30/2019	3.50%
6/30/2018	3.87%
6/30/2017	3.58%

Mortality:

Measurement Date	Table Used
6/30/2022	No changes
6/30/2021	No changes
6/30/2020	No changes
6/30/2019	RP-2014 modified according to TRSL experience study
6/30/2018	RP-2000 without projection, 50% unisex blend

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

TITLE I FUNDS

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

TITLE II FUNDS

This fund accounts for the federal grants which combine the Eisenhower Professional Development State Grants and Class-Size Reduction programs into one program that focuses on preparing, training, and recruiting high-quality teachers.

SCHOOL LUNCH

This fund includes lunch and breakfast operations and accounts for the financial activities of the food service program in the school system during the regular school term. The basic goals of this program are to serve nutritionally, attractive, and moderately priced meals, to help children grow both socially and emotionally, to extend educational influence to the home of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

SPECIAL EDUCATION FUNDS

Public Law 101-476 is a federally financed program providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.

Public Law 89-313 is a federally financed program providing "per child" funding that follows the child as he leaves his facility and enters public schools or day developmental training programs.

HEAD START

The objectives of the Head Start Program are to provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children so that the children will attain overall social competence. Parents also participate in various decision-making processes related to the operation of the program.

PRE-K STATE

The objective of this program is to provide high quality early childhood educational experiences to four-year old children who are considered to be "at risk" of achieving later academic success.

STRIVING READERS

The purpose of this program is to improve the school readiness and success for disadvantaged youth, birth through grade 12, by advancing their literacy skills; to establish a comprehensive approach to literacy development based on Louisiana's Comprehensive Literacy Plan; and to address established LDOE priorities related to common core implementation, birth to 5 systems, and teacher effectiveness.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) FUNDS

The objective of this program is to provide high quality early childhood educational experiences to four-year old children who are considered to be “at risk” of achieving later academic success.

SCHOOL ACTIVITY FUNDS

The School Activity Fund was established by the School Board to direct and account for monies used to support cocurricular and extracurricular student activities. As a general rule, cocurricular activities are any kinds of school-related activities outside of the regular classroom that directly add value to the formal or stated curriculum.

EDUCATION EXCELLENCE FUND

The objective of this program is to provide early childhood education programs focused on enhancing the preparation of “at risk” children for school and to provide remedial educational assistance to children who fail to achieve the required scores on any tests, passage of which are required pursuant to state law or rule for advancement to a succeeding grade.

EMERGENCY CONNECTIVITY FUND

The Emergency Connectivity Fund accounts for the E-rate program. This program provides discounts to the School for telecommunications, internet access, and internal connections.

BOND BUILDING FUND

The Bond Building Capital Project Fund accounts for projects to be funded by the July 2017, June 2018, and March 2020 General Obligation Bonds.

OTHER FUNDS

Other funds consist primarily of certain smaller programs funded through state grants and federal grants approved by the State Board of Elementary and Secondary Education and which are to be used for local initiatives. Also, included in other funds are funds containing contributions from the general public for specific education programs within the school district.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Title I</u>	<u>Title II</u>	<u>School Lunch</u>	<u>Special Education</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ 1,424,873	\$ -
Receivables	383,936	71,944	182,380	821,810
Investments	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	166,373	-
	<u>-\$ 383,936</u>	<u>\$ 71,944</u>	<u>\$ 1,773,626</u>	<u>\$ 821,810</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 113,561	\$ -
Salaries and benefits payable	127,472	867	216,192	125,832
Due to other funds	256,464	71,077	-	695,978
	<u>383,936</u>	<u>71,944</u>	<u>329,753</u>	<u>821,810</u>
Fund balances:				
Nonspendable	-	-	166,373	-
Spendable:				
Restricted	-	-	1,277,500	-
	<u>-</u>	<u>-</u>	<u>1,443,873</u>	<u>-</u>
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>1,443,873</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 383,936</u>	<u>\$ 71,944</u>	<u>\$ 1,773,626</u>	<u>\$ 821,810</u>

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Head Start	Pre-K State	Striving Readers	TANF	School Activity Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ -	\$ 200,370	\$ -	\$ -	\$ 934,662
Receivables	309,976	22,442	105,279	33,725	-
Investments	-	-	-	-	8,641
Due from other funds	-	5,515	-	-	-
Inventory	-	-	-	-	-
TOTAL ASSETS	<u>\$ 309,976</u>	<u>\$ 228,327</u>	<u>\$ 105,279</u>	<u>\$ 33,725</u>	<u>\$ 943,303</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	118,183	147,807	-	4,238	-
Due to other funds	191,793	-	105,279	29,487	-
TOTAL LIABILITIES	<u>309,976</u>	<u>147,807</u>	<u>105,279</u>	<u>33,725</u>	<u>-</u>
Fund balances:					
Nonspendable	-	-	-	-	-
Spendable:					
Restricted	-	80,520	-	-	943,303
TOTAL FUND BALANCES	<u>-</u>	<u>80,520</u>	<u>-</u>	<u>-</u>	<u>943,303</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 309,976</u>	<u>\$ 228,327</u>	<u>\$ 105,279</u>	<u>\$ 33,725</u>	<u>\$ 943,303</u>

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Educational Excellence</u>	<u>Emergency Connectivity</u>	<u>Bond Building</u>	<u>Other Funds</u>	<u>Total</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 638	\$ -	\$ 1,720,241	\$ 15,325	\$ 4,296,109
Receivables	-	-	-	469,924	2,401,416
Investments	-	-	-	45,317	53,958
Due from other funds	-	-	-	-	5,515
Inventory	-	-	-	-	166,373
TOTAL ASSETS	<u>\$ 638</u>	<u>\$ -</u>	<u>\$ 1,720,241</u>	<u>\$ 530,566</u>	<u>\$ 6,923,371</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 263,585	\$ -	\$ 377,146
Salaries and benefits payable	638	-	-	13,415	754,644
Due to other funds	-	-	-	458,262	1,808,340
TOTAL LIABILITIES	<u>638</u>	<u>-</u>	<u>263,585</u>	<u>471,677</u>	<u>2,940,130</u>
Fund balances:					
Nonspendable	-	-	-	-	166,373
Spendable:					
Restricted	-	-	1,456,656	58,889	3,816,868
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>1,456,656</u>	<u>58,889</u>	<u>3,983,241</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 638</u>	<u>\$ -</u>	<u>\$ 1,720,241</u>	<u>\$ 530,566</u>	<u>\$ 6,923,371</u>

(concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2022

	<u>Title I</u>	<u>Title II</u>	<u>School Lunch</u>	<u>Special Education</u>
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Food services - paid meals	-	-	54,680	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid, MFP	-	-	33,627	170,373
Restricted grants-in-aid	-	-	144,987	-
Federal grants	1,012,179	269,515	3,794,196	1,268,545
TOTAL REVENUES	<u>1,012,179</u>	<u>269,515</u>	<u>4,027,490</u>	<u>1,438,918</u>
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	-	-	-	-
Special education programs	-	-	-	677,648
Other education programs	875,881	224,647	-	17,301
Support:				
Pupil support services	-	-	-	473,484
Instructional staff services	100,318	35,404	-	197,502
General administration services	-	-	-	-
Plant operation and maintenance	-	-	-	-
Student transportation	-	-	-	24,619
Food services	-	-	3,243,370	-
Facility Acquisition and Construction	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
TOTAL EXPENDITURES	<u>976,199</u>	<u>260,051</u>	<u>3,243,370</u>	<u>1,390,554</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>35,980</u>	<u>9,464</u>	<u>784,120</u>	<u>48,364</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	11,438	-
Transfers out	(35,980)	(9,464)	-	(48,364)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(35,980)</u>	<u>(9,464)</u>	<u>11,438</u>	<u>(48,364)</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>				
	<u>-</u>	<u>-</u>	<u>795,558</u>	<u>-</u>
Fund balances, June 30, 2021	<u>-</u>	<u>-</u>	<u>648,315</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,443,873</u>	<u>\$ -</u>

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2022

	Head Start	Pre-K State	Striving Readers	TANF	School Activity Funds
<u>REVENUES</u>					
Local sources:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-	-
Food services - paid meals	-	-	-	-	-
Other	-	186,875	-	-	1,661,348
State sources:					
Unrestricted grants-in-aid, MFP	-	-	-	-	-
Restricted grants-in-aid	-	755,700	-	46,753	-
Federal grants	1,054,978	-	162,600	-	-
TOTAL REVENUES	1,054,978	942,575	162,600	46,753	1,661,348
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	-	-	-	46,753	-
Special education programs	-	-	-	-	-
Other education programs	896,201	906,843	156,061	-	1,504,616
Support:					
Pupil support services	-	-	-	-	-
Instructional staff services	150,535	39,023	-	-	-
General administration services	-	-	-	-	-
School administration/Plant services	-	-	-	-	-
Student transportation	8,242	-	-	-	-
Food services	-	-	-	-	-
Facility Acquisition and Construction	-	-	-	-	-
Debt service - Principal	-	-	-	-	-
Debt service - Interest	-	-	-	-	-
TOTAL EXPENDITURES	1,054,978	945,866	156,061	46,753	1,504,616
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(3,291)	6,539	-	156,732
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	-	-	-	-	-
Transfers out	-	-	(6,539)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(6,539)	-	-
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>					
	-	(3,291)	-	-	156,732
Fund balances, June 30, 2021	-	83,811	-	-	786,571
FUND BALANCES, JUNE 30, 2022	\$ -	\$ 80,520	\$ -	\$ -	\$ 943,303

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NON-MAJOR FUNDS

FISCAL YEAR ENDED JUNE 30, 2022

	Educational Excellence	Emergency Connectivity	Bond Building	Other Funds	Total
<u>REVENUES</u>					
Local sources:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	1,569	152	1,721
Food services - paid meals	-	-	-	-	54,680
Other	-	-	-	106,900	1,955,123
State sources:					
Unrestricted grants-in-aid, MFP	-	-	-	-	204,000
Restricted grants-in-aid	66,718	-	-	97,572	1,111,730
Federal grants	-	654,667	-	795,995	9,012,675
TOTAL REVENUES	66,718	654,667	1,569	1,000,619	12,339,929
<u>EXPENDITURES</u>					
Current:					
Instruction:					
Regular education programs	8,238	-	-	90,962	145,953
Special education programs	-	-	-	-	677,648
Other education programs	34,324	654,667	-	932,868	6,203,409
Support:					
Pupil support services	-	-	-	-	473,484
Instructional staff services	24,156	-	-	11,027	557,965
General administration services	-	-	-	5,515	5,515
School administration/Plant services	-	-	-	-	-
Student transportation	-	-	-	-	32,861
Food services	-	-	-	-	3,243,370
Facility Acquisition and Construction	-	-	2,863,605	-	2,863,605
Debt service - Principal	-	-	-	-	-
Debt service - Interest	-	-	-	-	-
TOTAL EXPENDITURES	66,718	654,667	2,863,605	1,040,372	14,203,810
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(2,862,036)	(39,753)	(1,863,881)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	-	-	-	63,770	75,208
Transfers out	-	-	-	(46,375)	(146,722)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	17,395	(71,514)
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>					
	-	-	(2,862,036)	(22,358)	(1,935,395)
Fund balances, June 30, 2021	-	-	4,318,692	81,247	5,918,636
FUND BALANCES, JUNE 30, 2022	\$ -	\$ -	\$ 1,456,656	\$ 58,889	\$ 3,983,241

(concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2022

Teri Bergeron	\$ 9,600
George A. Chustz, Jr.	9,600
Leon Goudeau	9,600
Ronald P. LeBlanc	9,600
Jason Manola	9,600
Michael Maranto	9,600
Chareeka T. Grace	9,600
Craig Sarradet	9,600
Toby Sarradet	9,600
Dr. Atley D. Walker, Sr.	<u>9,600</u>
	<u>\$ 96,000</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE SUPERINTENDENT

FOR THE YEAR ENDED JUNE 30, 2022

Superintendent Name: Wesley S. Watts

Salary, including incentive and bonus	\$ 156,800
Benefits-insurance	9,269
Benefits-retirement	42,034
Benefits-other	2,320
Car allowance	10,000
Cell phone	1,155
Dues	1,670
Reimbursements	1,059
Per Diem	743
Registration fees	<u>393</u>
	<u>\$ 225,443</u>

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

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Parish School Board (the School Board), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated June 29, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be significant deficiencies.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002.

The School Board’s Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Baton Rouge, Louisiana
June 29, 2023

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

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-003, 2022-004, and 2022-005. Our opinion on each major federal program is not modified with respect to these matters.

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



Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-003, 2022-004, and 2022-005, to be significant deficiencies.

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

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

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

Postlethwaite & Netterville

Baton Rouge, Louisiana
June 29, 2023

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Name	Grant Year	Grantor Project Number	Assistance Listing Number	Expenditures 2022
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>				
Pass-through program from Louisiana Department of Agriculture and Forestry:				
Food Distribution - Commodities	21-22	N/A	10.555	\$ 260,755
Pass-through program from Louisiana Department of Education:				
School Lunch Program	21-22	2004-VJJPRTNJCKL7	10.555	2,208,662
School Breakfast Program	21-22	2004-VJJPRTNJCKL7	10.553	679,874
Summer Feeding - Breakfast	21-22	2004-VJJPRTNJCKL7	10.559	180,404
Summer Feeding - Lunch	21-22	2004-VJJPRTNJCKL7	10.559	95,236
Fresh Fruit and Vegetable Program	21-22	2004-VJJPRTNJCKL7	10.582	54,577
COVID-19 - Supply Chain Assistance	21-22	2004-VJJPRTNJCKL7	10.559	96,693
Child Nutrition Cluster Total				\$ 3,576,201
Dinner Feeding	21-22	2004-VJJPRTNJCKL7	10.558	217,995
Total United States Department of Agriculture				<u>3,794,196</u>
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>				
Passed through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies-Part A Basic	21-22	28-22-T1-61-396	84.010A	990,445
Title I - Redesign 1003a	21-22	28-21-RD19-61-396	84.010A	12,775
Direct Student Services	21-22	28-22-DSS-61-396	84.010A	22,921
Special Education Regular Project-Part B	21-22	28-22-B1-61-396	84.027A	1,101,464
COVID-19 - IDEA 611 - ARP	21-22	28-22-IA11-61	84.027X	76,681
COVID-19 - IDEA 619- ARP	21-22	28-22-IA19-61	84.173X	939
High Cost Services	21-22	28-22-RK-61-396	84.027A	64,475
Positive Behavioral Support	21-22	28-20-PA-61-396	84.027A	5,518
Special Education Preschool	21-22	28-22-P1-61-396	84.173A	19,468
Special Education Cluster (IDEA) Total				1,268,545
Title IVA SSAE	21-22	28-22-71-61-396	84.424A	53,738
Carl Perkins Grant	21-22	28-22-02-61-396	84.048A	58,281
Title II Regular Project	21-22	28-22-50-61-396	84.367A	269,515
Title III	21-22	28-22-60-61-396	84.365A	16,677
Title III - Immigrant	21-22	28-21-S3-61-396	84.365A	8,959
COVID-19 - ESSERF - Formula (CARES Act)	21-22	28-20-ESRF-61-396	84.425D	9,682
COVID-19 - ESSERF III - Incentive	21-22	28-21-ES3I-61-396	84.425U	576
COVID-19 - ESSERF III - Incentive (Reimagine Grant)	21-22	28-21-ES2I-61-396	84.425D	2,474
COVID-19 - ESSERF II - Formula Fund	21-22	28-21-ES2F-61-396	84.425D	954,789
COVID-19 - ESSERF III - Interventions Fund	21-22	28-21-ESEB-61-396	84.425U	1,107,615
COVID-19 - ESSERF III - Formula Fund	21-22	28-21-ES3F-61-396	84.425U	1,396,969
CLSD - UIR B-5	21-22	28-20-CCUB-61	84.371C	162,600
Total United States Department of Education				<u>6,336,561</u>
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-through program from Louisiana Department of Education:				
Ready Start Networks - PDG	21-22	28-21-RSB5-61-396	93.434	58,522
Ready Start Networks - PDG	21-22	28-22-RSB5-61-396	93.434	39,870
B-3 Seats - PDG	21-22	28-21-B3SP-61-396	93.434	38,307
B-3 Seats - PDG	21-22	28-22-B3SP-61-396	93.434	80,576
EC Network Lead Agencies - CCDF	21-22	28-21-CO-61-396	93.575	17,267
COVID-19 - Ready Start Networks - CRRSA	21-22	28-21-RSNC-61-396	93.575	30,798
Ready Start Networks - CCDF	21-22	28-21-RSCC-61-396	93.575	52,463
COVID-19 CRRSA - CCDF	21-22	28-21-CCRC-61-396	93.575	100,000
COVID-19 - B-3 Seats - CRRSA	21-22	28-21-B3SC-61-396	93.575	226,575
CCDF (Child Care and Development Fund) Cluster Total				427,103
Direct grant:				
Administration for Children, Youth, and Families - Head Start	21-22	06CH011400-03-01	93.600	488,315
Administration for Children, Youth, and Families - Head Start	21-22	06CH011400-02-02	93.600	542,815
COVID-19 - Administration for Children, Youth, and Families	21-22	06CH011400-02-02	93.600	23,848
Head Start Cluster Total				1,054,978
Total United States Department of Health and Human Services				<u>1,699,356</u>

(Continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Name	Grant Year	Grantor Project Number	Assistance Listing Number	Expenditures 2022
<u>FEDERAL COMMUNICATIONS COMMISSION</u>				
Passed through the Universal Service Administration Company: COVID-19 - Emergency Connectivity Fund	21-22	N/A	32.009	<u>654,667</u>
Total Expenditures of Federal Awards				<u>\$ 12,484,780</u> (Concluded)

See the accompanying notes to the schedule of expenditures of federal awards.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Baton Rouge Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2022, the School Board received commodities valued at \$260,755. At June 30, 2022, the organization had food commodities totaling \$35,321 in inventory.

NOTE C – DE MINIMUS COST RATE

During the year ended June 30, 2022, the West Baton Rouge Parish School Board did not elect to use the 10% de minimus cost rate as covered in §200.414 of the Uniform Guidance.

NOTE D – AMOUNTS PASSED THROUGH TO SUBRECIPIENTS

During the year ended June 30, 2022, the West Baton Rouge Parish School Board did not pass through any federal funding to subrecipients.

NOTE E – RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

Reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) to the Financial Statements

Total Federal Grants	<u>\$ 12,484,780</u>
Total Federal Expenditures - SEFA	<u>\$ 12,484,780</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

A. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ x yes _____ none reported

Noncompliance material to financial statements noted? _____ x yes _____ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ x yes _____ none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? _____ x yes _____ no

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I
10.553, 10.555, 10.559, 10.582	Child Nutrition Cluster
84.425D, 84.425U	Education Stabilization Fund (ESF)

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.
- The West Baton Rouge Parish School Board did qualify as a low-risk auditee.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

C. Findings and Questioned Costs – Major Federal Award Programs (continued)

2022-005

Timely Filing of the Federal Data Collection Form

Questioned Costs:

None.

Criteria:

The Office of Management and Budget (OMB) designated the Census Bureau as the National Clearinghouse (or Federal Audit Clearinghouse (FAC) for the receipt of Single Audit Reports from state and local governments (later to include nonprofit organizations). In this capacity, the Census Bureau serves as the central collection point and repository for audit reports prepared and submitted under provisions of the Single Audit Act of 1984 (amended in 1996), and Uniform Guidance. States, local governments, Indian Tribes or Tribal Organizations, institutions of higher education (IHEs), and nonprofit organizations that annually expend \$750,000 or more in federal awards must perform a Single Audit and complete Form SFSAC for every fiscal period during which they meet the reporting dollar threshold. The central collection point for single audit reports is the Federal Audit Clearing House Internet Data Entry System (IDES) website. Without any waivers, the report is due no later than nine months after an entity's year end.

Universe / Population:

Not applicable; no sample selected.

Condition:

The 2022 single audit report with the Federal Audit Clearing House was not submitted in the timeline established by regulation.

Cause:

Lack of timely closing procedures.

Effect:

The lack of timely filing may result in delays or denial of federal grant assistance.

Recommendation:

The federal data collection form should be filed timely.

Repeat finding:

No.

View of Responsible Official and Planned Corrective Action:

Management is aware of the annual filing requirement of the Federal Data Collection Form. The School Board recognizes that the audit must be completed and submitted to the FAC within 9 months of the year ending. The School Board will implement procedures to ensure the federal data collection form is filed timely.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

B. Findings – Financial Statement Audit

2021-001

Violation of State Budget Law

Criteria:

Louisiana Revised Statute 39:1311 requires governments to amend special revenue fund budgets when actual expenditures and other financing uses exceed budgeted amounts by 5 percent or more.

Condition:

Actual expenditures and other financing uses for the EFID Sales Tax Fund exceeded budgeted expenditures by 10.4 percent.

Cause:

The School Board did not amend the budget during the 2020 - 2021 fiscal period.

Effect:

The School Board is non-compliant with the Louisiana Budget Law.

Recommendation:

The School Board should amend the budget in accordance with the statute.

View of Responsible Official and Planned Corrective Action:

Management will continuously monitor the actual revenue and expenditures of funds throughout the year to comply with the State Budget Law.

Current Status:

The planned corrective action was implemented as identified above. Thus, the finding is considered resolved.

C. Findings and Questioned Costs – Major Federal Award Programs

None.

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
West Baton Rouge Parish School Board,
and the Louisiana Legislative Auditor

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

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

The procedures and associated findings are as follows:

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

Procedure #1:

We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:

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

No exceptions noted.

Class Size Characteristics (Schedule 2)

Procedure # 2

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

Results of Procedure # 2

In our sample of 10 classes, we noted 10 out of 10 classes with discrepancies as follows:

<u>Class Size</u> <u>Test Items</u>	<u>No. of Students</u> <u>per Schedule 2</u>	<u>No. of Students</u> <u>per Roll Book</u>
1	12	9
2	35	26
3	24	16
4	23	18
5	30	0
6	26	15
7	20	18
8	26	0
9	25	19
10	21	0

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

Procedure # 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/experience and obtained management's representation that the data/listing was complete. We traced a sample of 25 teachers to the individual's personnel file and determined if the individual's level of education/experience was properly classified on the PEP data (or equivalent listing prepared by management).

When testing the experience of the full-time teachers, assistant principals, and principals, nine exceptions (out of 25) existed between the schedule and the personnel files.

Public School Staff Data: Average Salaries (NO SCHEDULE)

Procedure #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).

When testing the average salaries of classroom teachers and full-time equivalents, one exception (out of 25) existed between the schedule and the personnel files.

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

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

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

Postlethwaite & Netterville

Baton Rouge, Louisiana
June 29, 2023

WEST BATON ROUGE PARISH SCHOOL BOARD

PORT ALLEN, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance Measurement Data)

As of and for the Year Ended June 30, 2022

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

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

Schedule 2 Class Size Characteristics

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

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 1

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

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	18,778,917	
Other Instructional Staff Activities		3,844,779	
Instructional Staff Employee Benefits		9,924,784	
Purchased Professional and Technical Services		684,634	
Instructional Materials and Supplies		1,650,280	
Instructional Equipment		-	
Total Teacher and Student Interaction Activities	\$		34,883,394

Other Instructional Activities \$ -

Pupil Support Activities	\$	3,375,612	
Less: Equipment for Pupil Support Activities		-	
Net Pupil Support Activities	\$		3,375,612

Instructional Staff Services	\$	1,888,461	
Less: Equipment for Instructional Staff Services		-	
Net Instructional Staff Services	\$		1,888,461

School Administration	\$	3,707,261	
Less: Equipment for Instructional Staff Services		(7,636)	
Net School Administration	\$		3,699,625

Total General Fund Instructional Expenditures \$ 43,847,092

Total General Fund Equipment Expenditures \$ 416,280

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$	2,519,776	
Renewable Ad Valorem Tax		22,385,254	
Debt Service Ad Valorem Tax		7,145,932	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		627,333	
Sales and Use Taxes		22,334,776	
Total Local Taxation Revenue	\$		55,013,071

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$	547,862	
Earnings from Other Real Property		-	
Total Local Earnings on Investment in Real Property	\$		547,862

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$	59,143	
Revenue Sharing - Other Taxes		82,584	
Revenue Sharing - Excess Portion		-	
Other Revenue in Lieu of Taxes		-	
Total State Revenue in Lieu of Taxes	\$		141,727

Nonpublic Textbook Revenue \$ 11,116

Nonpublic Transportation Revenue -
Total State Revenue for Non-public Education \$ 11,116

**Class Size Characteristics
 As of October 1, 2021**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	46%	279	43%	260	8%	48	3%	17
Elementary Activity Classes	56%	45	32%	26	1%	1	11%	9
Middle/Jr. High	61%	168	10%	28	29%	80	0%	1
Middle/Jr. high Activity Classes	59%	37	21%	13	19%	12	1%	1
High	52%	246	24%	112	22%	102	2%	8
High Activity Classes	84%	156	7%	13	4%	8	5%	9
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

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



WEST BATON ROUGE SCHOOLS

3761 Rosedale Road, Port Allen, LA 70767 P: 225.343.8309 F: 225.387.2101 wbrschools.net

Superintendent Chandler Smith, Ed.D.

CORRECTIVE ACTION PLAN

June 29, 2023

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

Name and address of independent public accounting firm:

Postlethwaite & Netterville, APAC
8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809

Audit Period: July 1, 2021 to June 30, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule of findings and questioned costs.

FINDINGS – SCHEDULE OF FINDINGS AND QUESTIONED COSTS

2022-001

Public Bid Law

See response to 2022-004

2022-002

Compliance with State Audit Law and Noncompliance with Continuing Disclosure Agreement

Criteria:

La. R.S. 24:513 provides that an annual audit be submitted to the Louisiana Legislative Auditor within six months of the close of the fiscal period. Also, La. R.S 39:1438 and the Continuing Disclosure Agreement pertaining to the 2017, 2018, and 2020 General Obligation Bonds require the issuers of municipal securities comply with the continuing disclosure rules of the Municipal Securities Rulemaking Board. As defined in the Continuing Disclosure Agreements, the School Board must submit its annual report to the Municipal Securities Rulemaking Board’s Electronic Municipal Markets Access Center (EMMA) no later than 8 months after the end of the issuer’s fiscal year end.

Condition:

The School Board was required to have an audit completed by the filing deadline of December 31, 2022. The School Board requested and received a non-emergency extension through June 30, 2023. However, despite the approval of this extension, the School Board did not comply with the timeline established by regulation and therefore a finding is required by the Louisiana Legislative Auditor. Also, the audited financial statements were not submitted to EMMA.

Cause:

Lack of timely closing procedures.

Effect:

The School Board’s funding through state agencies can be placed on hold until the compliance requirements are met. This could result in significant cash flow challenges to the School Board. Also, the School Board is in violation of La R.S. 24:513 and La R.S. 39:1438.

Recommendation: The School Board should ensure that closing procedures are performed timely to meet the audit deadline.

View of Responsible Official and Planned Corrective Action:

The School Board has established a process to ensure timely closing procedures for the June 30, 2023 audit.

Anticipated Completion Date: June 30, 2023

Responsible Contact Person: Jared Gibbs, Supervisor of Business Services

2022-003

Reporting

Criteria: The Louisiana Department of Education required the School Board to submit its final periodic expense report for the grant program to the established website by July 15, 2022.

Condition: The School Board did not submit the identified final periodic expense report by the submission deadline. The periodic expense report had a submission deadline of July 15, 2022 and was submitted on December 11, 2022.

Cause: The School Board lacks an established control monitoring timely submission of the periodic expense reports.

Effect: Failure to comply with the reporting requirements may result in sanctions, including: losing access to grant funds as a result of the grantee's noncompliance with its reporting requirements.

Recommendation: The School Board should establish a formalized control to monitor timely submission of reports.

View of Responsible Official and Planned Corrective Action:

The School Board will develop a formal process to monitor the submission of all required reports to ensure that all reports are submitted timely in compliance with the applicable requirements of grant agreements.

Anticipated Completion Date: June 30, 2023

Responsible Contact Person: Jared Gibbs, Supervisor of Business Services

2022-004

Procurement

Criteria: According to LA R.S. 38:2212.1, the School Board is required for purchases of materials and supplies exceeding the sum of \$30,000 to be paid out of public funds shall be advertised and let by contract to the lowest responsible bidder who has bid according to the specifications as advertised.

Condition: The School Board did not advertise for bid the supplies of fresh and frozen produce totaling in the amount of \$89,867 paid to a vendor.

Cause: The School Board did not solicit this item for bid due to lack of response from vendors in recent years.

Effect: The School Board is out of compliance with the statute referenced above. As a result, the School Board may not have received the lowest price for the purchase of fresh and frozen produce.

Recommendation: All purchases of materials and supplies in excess of the stipulated limit should be bid in accordance with the above statute.

View of Responsible Official and Planned Corrective Action:

The School Board will strengthen its policies and procedures to ensure compliance with the public bid law.

Anticipated Completion Date: June 30, 2023

Responsible Contact Person: Jared Gibbs, Supervisor of Business Services

2022-005

Timely Filing of the Federal Data Collection Form

Criteria: The Office of Management and Budget (OMB) designated the Census Bureau as the National Clearinghouse (or Federal Audit Clearinghouse (FAC) for the receipt of Single Audit Reports from state and local governments (later to include nonprofit organizations). In this capacity, the Census Bureau serves as the central collection point and repository for audit reports prepared and submitted under provisions of the Single Audit Act of 1984 (amended in 1996), and Uniform Guidance. States, local governments, Indian Tribes or Tribal Organizations, institutions of higher education (IHEs), and nonprofit organizations that annually expend \$750,000 or more in federal awards must perform a Single Audit and complete Form SFSAC for every fiscal period during which they meet the reporting dollar threshold. The central collection point for single audit reports is the Federal Audit Clearing House Internet Data Entry System (IDES) website. Without any waivers, the report is due no later than nine months after an entity's year end.

Condition: The 2022 single audit report with the Federal Audit Clearing House was not submitted in the timeline established by regulation.

Cause: Lack of timely closing procedures.

Effect: The lack of timely filing may result in delays or denial of federal grant assistance.

Recommendation: The federal data collection form should be filed timely.

View of Responsible Official and Planned Corrective Action:

Management is aware of the annual filing requirement of the Federal Data Collection Form. The School Board recognizes that the audit must be completed and submitted to the FAC within 9 months of the year ending. The School Board will implement procedures to ensure the federal data collection form is filed timely.

Anticipated Completion Date: June 30, 2023

Responsible Contact Person: Jared Gibbs, Supervisor of Business Services

If there are questions regarding this plan, please call Jared Gibbs at (225) 343-8309.

Sincerely,

A handwritten signature in blue ink that reads "Jared Gibbs". The signature is written in a cursive style.

Jared Gibbs,
Supervisor of Business Services

SCHOOL BOARD MEMBERS: G. Alden Chustz, Jr., President • Dr. Atley D. Walker, Sr., Vice President • Burke Fiscus • Hayley Clouatre
Ronald P. LeBlanc • Sonceria Evans • Chareeka Grace • Matthew Daigrepoint • Michael A. Maranto • Teri B. Bergeron

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES on COMPLIANCE and CONTROL
AREAS

FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1
Schedule A: Agreed-Upon Procedures and Observations and Associated Results	2 - 14
Schedule B: Management's Response and Corrective Action Plan	15

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
West Baton Rouge Parish School Board and the
Louisiana Legislative Auditor:

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

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

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

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

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

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

Postlethwaite & Netterville

Baton Rouge, Louisiana
June 29, 2023

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exception noted*”. If not, then a description of the exception ensues. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the Louisiana Legislative Auditor, the specified user of the report. For those procedures, “procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity” is indicated.

A - Written Policies and Procedures

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

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

No exception noted.

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

The Entity has written policies for Contracting; however, the policy does not specifically address (3) legal review, (4) approval process, and (5) monitoring process.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

No exception noted.

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

No exception noted.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Entity has written policies for Ethics; however, the policy does not specifically address (3) system to monitor possible ethics violations and (4) regarding the requirement that all employees, including elected officials, annual attest through signature verification that they have read the entity's ethics policy.

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

The Entity has written policies for Debt Service; however, the policy does not specifically address (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

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

The Entity has written policies for Disaster Recovery/ Business Continuity; however, the policy does not specifically address (3) periodic testing/verification that backups can be restored and (4) use of antivirus software on all systems.

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

No exception noted.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

B - Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exception noted.

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

No exception noted.

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

The School Board's General Fund had a positive unassigned fund balance in prior year.

C - Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

A listing of bank accounts was provided and included a total of 16 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Of the 5 bank reconciliations obtained, 1 did not have a date evidencing the date prepared and 1 was not prepared within 2 months of the related statement closing date.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Of the 5 bank reconciliations obtained, 1 did not have evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks had reviewed the bank reconciliation.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Of the 5 bank accounts selected, 2 bank reconciliations had reconciling items that have been outstanding for more than 12 months. There was no documentation evidencing that these reconciling items were researched for proper disposition.

D - Collections

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

A listing of deposit sites was provided and included a total of 16 deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 deposit sites and performed the procedures below.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4 was provided and included a total of 16 collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exception noted.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

For 2 of the 5 locations selected for testing the employee responsible for collecting cash was also responsible for preparing bank deposits. Another employee is not responsible for verifying the reconciliation.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

For 2 of the 5 locations selected for our procedures, the employee responsible for collecting cash posts collections entries to the general ledger and reconciles ledger postings to each other and the deposit. Another employee is not responsible for reconciling ledger postings to each other and to the deposit.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

For 2 of the 5 locations selected for our procedures, the employee responsible for collecting cash posts collections entries to the general ledger and reconciles ledger postings to each other and the deposit. Another employee is not responsible for verifying the reconciliation.

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

No exception noted.

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

We randomly selected two deposit dates for each of the 5 bank accounts selected in procedure #3. We obtained supporting documentation for each of the 10 deposits and performed the procedures below.

- a) Observe that receipts are sequentially pre-numbered.

No exception noted.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

No exception noted.

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

No exceptions noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

No exception noted.

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

No exception noted.

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

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

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 locations and performed the procedures below.

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

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #8 was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

No exception noted.

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

The Entity does not maintain a list of employees who have access to add/modify vendor files. As such, we were unable to perform this procedure.

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

For 4 of the 5 locations selected for our procedures, the employee responsible for signing checks is not responsible for mailing the payment or giving the signed check to another employee to mail who is not responsible for processing payments.

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

A listing of non-payroll disbursements for each payment processing location selected in procedure #8 was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- a) Observe that the disbursement matched the related original invoice/billing statement.

No exception noted.

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

For 3 of the 25 disbursements selected for our procedures, the employee responsible for initiating the purchase was the same person approving the purchase.

For 25 of the 25 disbursements selected for our procedures, the payment processor is not prohibited from adding/modifying vendor files.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

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

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

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

From the listing provided, we randomly selected 5 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

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

No exceptions noted.

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

No exceptions noted.

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

For 10 of the 50 transactions tested, the expense was not supported by documentation of a business or public purpose.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

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

We randomly selected 5 reimbursements. No exceptions noted.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

H - Contracts

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

A listing of agreements and contracts for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

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

No exceptions noted.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

No exceptions noted.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

No exceptions noted.

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

No exceptions noted.

I - Payroll and Personnel

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

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures. No exceptions noted.

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

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #16.

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

No exceptions noted.

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

No exceptions noted.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

No exceptions noted.

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

No exceptions noted.

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

We randomly selected 2 employees, and performed the testing indicated. No exceptions noted.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

No exceptions noted.

J - Ethics

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

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

No exceptions noted.

- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

No exceptions noted.

K - Debt Service

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

Not applicable.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

A listing of bonds/notes outstanding at the end of the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 1 bond/note and performed the specified procedures. No exceptions noted.

L - Fraud Notice

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

P&N obtained management's representation that there were no misappropriations of public funds and/or assets during the fiscal period, therefore, a listing was not provided. No exceptions were noted as a result of performing this procedure.

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

No exceptions noted.

M - Information Technology Disaster Recovery/Business Continuity

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

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

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

We performed the procedure and discussed the results with management.

N - Sexual Harassment

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

No exceptions noted.

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

No exceptions noted.

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

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

No exceptions noted.

- b) Number of sexual harassment complaints received by the agency.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

**WEST BATON ROUGE PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES AND ASSOCIATED RESULTS
JUNE 30, 2022**

Schedule B

Corrective Action

See Attached Corrective Action Plan



CORRECTIVE ACTION PLAN
STATE LEGISLATIVE AUDITOR AGREED UPON PROCEDURES
June 29, 2023

West Baton Rouge Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2022 correct actions implemented.

Postlethwaite & Netterville, APAC
8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809

Period: July 1, 2021 to June 30, 2022

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

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

The Entity has written policies for Contracting; however the policy does not specifically address (3) legal review, (4) approval process, and (5) monitoring process.

Planned Corrective Action: The School Board will develop (3) legal review, (4) approval process, and (5) monitoring process into its written policies for Contracting.

i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Entity has written policies for Ethics; however, the policy does not specifically address attribute (4) regarding the requirement that all employees, including elected officials, annual attest through signature verification that they have read the entity's ethics policy.

Planned Corrective Action: The School Boards will develop written policies for Ethics to be compliant with Louisiana Law.

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

The Entity has written policies for Debt Service; however, the policy does not specifically address (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Planned Corrective Action: The School Board will develop (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements into its written policies for Debt Service.

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

The Entity has written policies for Disaster Recovery/Business Continuity; however, the policy does not specifically address (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, and (5) timely application of all available system and software patches/updates.

Planned Corrective Action: The School Board will develop (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, and (5) timely application of all available system and software patches/updates into its written policies for Disaster Recovery/Business Continuity.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

A listing of bank accounts was provided and included a total of 16 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Of the 5 bank reconciliations obtained, 1 did not have a date evidencing the date prepared and 1 was not prepared within 2 months of the related statement closing date.

Planned Corrective Action: The School Board's Policies will be modified to ensure evidence of review is properly documented.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Of the 5 bank reconciliations obtained, 1 did not have evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks had reviewed the bank reconciliation.

Planned Corrective Action: The School Board's Policies will be modified to ensure evidence of review is properly documented.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Of the 5 bank accounts selected, 2 bank reconciliations had reconciling items that have been outstanding for more than 12 months. There was no documentation evidencing that these reconciling items were researched for proper disposition.

Planned Corrective Action: The School Board's Policies will be modified to ensure that reconciling items over 12 months old will be reviewed and properly documented.

Collections

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

For 2 of the 5 locations selected for testing the employee responsible for collecting cash was also responsible for preparing bank deposits. Another employee is not responsible for verifying the reconciliation.

Planned Corrective Action: The School Board will reiterate to employees that cash should not be collected by the same person who is responsible for preparing/making bank deposits. Exceptions may be made for school closures where only one or two staff may be present at the time of collection.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

For 2 of the 5 locations selected for our procedures, the employee responsible for collecting cash posts collection entries to the general ledger and reconciles ledger postings to each other and the deposit. Another employee is not responsible for reconciling ledger postings to each other and to the deposits.

Planned Corrective Action: The School Board will reiterate to employees that cash should not be collected by the same person who is responsible for recording the truncation and depositing the cash. Exceptions may be made for school closures where only one or two staff may be present at the time of collection.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

For 2 of the 5 locations selected for our procedures, the employee responsible for collecting cash posts collections entries to the general ledger and reconciles ledger postings to each other and the deposit. Another employee is not responsible for verifying the reconciliation.

Planned Corrective Action: The School Board will reiterate to employees that reconciling cash collections to the general ledger, by revenue source and/or agency fund additions should not be performed by the same person. Exceptions may be made for school closures where only one or two staff may be present at the time of collection.

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

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

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

The Entity does not maintain a list of employees who have access to add/modify vendor files. As such, we were unable to perform this procedure.

Planned Corrective Action: The School Board will correct this policy as the Business Manager is responsible for periodic review of vendor files.

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

For 4 of the 5 locations selected for our procedures, the employee responsible for signing checks is not responsible for mailing the payment or giving the signed check to another employee to mail who is not responsible for processing payments.

Planned Corrective Action: The School Board will correct this policy and have another individual, who does not sign checks or is not responsible for processing payments, mail the checks to vendors.

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

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

For 3 of the 25 disbursements selected for our procedures, the employee responsible for initiating the purchase was the same person approving the purchase.

For 25 of the 25 disbursements selected for our procedures, the payment processor is not prohibited from adding/modifying vendor files.

Planned Corrective Action: The School Board will correct this policy and have another individual, who does not process checks, and make them responsible for modifying/adding vendors.

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

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

For 10 of the 50 transactions tested, the expense was not supported by documentation of a business or public purpose.

Planned Corrective Action: The School Board will communicate the requirement of documentation of business/public purpose on all transactions.

If there are questions regarding this plan, please call Jared Gibbs at (225) 343-8309.

Sincerely,



Jared Gibbs,
Supervisor of Business Services

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2022

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2022

June 29, 2023

Members of the Board and Management
West Baton Rouge Parish School Board
Port Allen, Louisiana

In planning and performing our audit of the financial statements of the West Baton Rouge Parish School Board (School Board) for the year ended June 30, 2022, we considered the School Board's internal controls and compliance with laws and regulations having a material effect on financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure or on compliance.

However, during our audit, we became aware of the following matters that are opportunities for improving financial reporting, refining policies and procedures and enhancing compliance with laws and regulations. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated June 29, 2023, on the financial statements of the School Board.

2022-1

School Lunch Fund Balance

Condition:

The School Board has a sizeable fund balance for its School Lunch Program. The program is not currently out of compliance with net cash resource levels. However, continued growth of the fund balance provides the opportunity for future risk of noncompliance.

Recommendation:

The School Board should develop a plan to reduce the program's fund balance and cash levels by increasing allowable expenditures related to the program.

*Management's
Response:*

We concur with the recommendation above.

2022-2

Performance and Statistical Schedules

Condition:

The data provided on the performance and statistical schedules did not contain the accurate education and experience data for certain staff. This is a result of a previous software conversion undertaken by the School Board in which the information was not updated appropriately.

Recommendation:

We recommend that the School Board review the information contained on the required performance and statistical schedules for accuracy and completeness.

2022-2

Performance and Statistical Schedules (continued)

**Management's
Response:**

The School Board with the assistance of a consultant will review the schedules being generated by the software. We will determine if modifications can be made to the current schedules, or if we need to create new schedules to ensure accuracy in the future.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the School Board staff for their cooperation with us during the performance of the audit.

This letter is intended solely for the information and use of the West Baton Rouge Parish School Board, management of the West Baton Rouge Parish School Board, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite & Netterville

STATUS OF PRIOR YEAR REPORT TO MANAGEMENT

2021-1

Documentation of Process Reviews

Condition:

School Board Management has communicated to us that there are controls in place for the review of journal entries. We corroborated that the controls were in place during our audit procedures. However, we noted that these reviews are not evidenced by the signing or initialing the documents or utilizing any form of documentation of review.

Recommendation:

We recommend that the review of journal entries be evidenced on the documents themselves or the use of an end of month/quarter checklist indicating the date of the review and the person that performed the review.

Management's
Response:

We concur with the recommendation above.

Current status:

This matter was not noted during the current audit. Thus, the matter is considered resolved.

2021-2

Performance and Statistical Schedules

Condition:

The data provided on the performance and statistical schedules did not contain the accurate education and experience data for certain staff. This is a result of a previous software conversion undertaken by the School Board in which the information was not updated appropriately.

Recommendation:

We recommend that the School Board review the information contained on the required performance and statistical schedules for accuracy and completeness.

Management's
Response:

The School Board with the assistance of a consultant will review the schedules being generated by the software. We will determine if modifications can be made to the current schedules, or if we need to create new schedules to ensure accuracy in the future.

Current status:

The recommendation has not been implemented. Therefore, the matter is included in the current year management letter as 2022-2.