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CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

ANNUAL FINANCIAL REPORT  
AND INDEPENDENT AUDITORS' REPORTS

Year Ended June 30, 2017

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JAN 10 2018

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS

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**Gragson, Casiday & Guillory, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

RAYMOND GUILLORY, JR., C.P.A.  
COY T. VINCENT, C.P.A.  
MICHELLE LEE, C.P.A.  
BRADLEY J. CASIDAY, C.P.A., C.V.A.  
GRAHAM A. PORTUS, E.A.  
KATHRYN BLESSINGTON, C.P.A.  
JACKLYN BARLOW, C.P.A.  
BRIAN MCCAIN, C.P.A.  
BLAKE MANUEL, C.P.A.

INDEPENDENT AUDITORS' REPORT

December 20, 2017

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
Cameron, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cameron Parish School Board (the School Board), as of and for the year ended June 30, 2017, 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.

**Managements Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

*145 East Street • Lake Charles, LA 70601*  
*Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847*  
*phone: 337.439.1986 • fax: 337.439.1366 • www.gcgcpa.com*

Mr. Charles Adkins, Superintendent  
and Members of the Cameron Parish School Board  
December 20, 2017  
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financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 60 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for 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

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
December 20, 2017  
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The School Board has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The other supplemental information on pages 66 through 80 and the other information on page 82 and schedules required by state law on pages 93-109 are presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards (pages 83-84) is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

The schedules required by state law have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Mr. Charles Adkins, Superintendent  
and Members of the Cameron Parish School Board  
December 20, 2017  
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**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 20, 2017, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

*Dragson Casiday & Guillory*

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Statement of Net Position  
June 30, 2017

ASSETS

Cash	\$ 31,090,752
Investments	25,947,163
Receivables	156,571
Due from other governmental agencies	2,690,237
Inventory	29,096
Prepaid expenses	783,104
Accrued interest	122,336
Capital assets:	
Non-depreciable	946,002
Depreciable, net	<u>108,050,630</u>
Total assets	<u>169,815,891</u>

DEFERRED OUTFLOWS OF RESOURCES

Resources related to pensions	<u>5,081,911</u>
-------------------------------	------------------

LIABILITIES

Accounts, salaries and other payables	1,423,144
Retainage payable	12,966
Unearned revenue	8,981,804
Long-term liabilities:	
Other post employment benefits payable	7,707,343
Net pension liability	28,130,666
Due within one year	39,741
Due in more than one year	<u>937,097</u>
Total liabilities	<u>47,232,761</u>

DEFERRED INFLOWS OF RESOURCES

Resources related to pensions	<u>1,960,633</u>
-------------------------------	------------------

NET POSITION

Net investment in capital assets	108,996,632
Restricted for:	
Debt service	-
Construction projects	11,179
Other	5,181
Unrestricted	<u>16,691,416</u>
Total net position	<u>\$ 125,704,408</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Statement of Activities  
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction:					
Regular programs	\$ 8,062,350	\$	\$ 212,228	\$	\$ (7,850,122)
Special education programs	1,728,945		233,671		(1,495,274)
Vocational education programs	986,330		10,037		(976,293)
Other instructional programs	399,524		12,705		(386,819)
Special programs	758,135		112,946		(645,189)
Support services					
Pupil support services	1,215,998		100,877		(1,115,121)
Instructional staff support services	1,055,848		155,752		(899,096)
General administration	985,654				(985,654)
School administration	1,546,617				(1,546,617)
Business services	465,733				(465,733)
Operation and maintenance of plant services	3,670,108				(3,670,108)
Student transportation services	1,442,357		5,379		(1,437,988)
Central services	14,845				(14,845)
Non-instructional services					
Food services	986,924	81,361	277,508		(628,055)
Community service programs	25,158				(25,158)
Facilities acquisition and construction	4,346,956			4,678,350	331,394
Interest on long-term debt	45,291				(45,291)
<b>Total governmental activities</b>	<b>27,745,783</b>	<b>81,361</b>	<b>1,151,133</b>	<b>4,678,350</b>	<b>(21,834,939)</b>
<b>General revenues</b>					
Taxes					
Ad valorem, taxes levied for general purposes					8,071,839
Parish contributions to retirement fund					336,667
State revenue sharing					22,763
Grants and contributions not restricted to specific programs:					
State source - Minimum Foundation Program					4,335,446
Other state revenue					55,641
Federal revenue in lieu of taxes					78,243
Donations					111,000
Interest and investment earnings					177,303
Miscellaneous					765,098
Transfer to other - FA					(22,767)
Special item - judgments					785,342
<b>Total general revenues and special items</b>					<b>14,676,275</b>
<b>Change in net position</b>					<b>(7,158,664)</b>
<b>Net position, beginning</b>					<b>132,861,272</b>
<b>Net position, ending</b>					<b>\$ 125,704,408</b>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

## MAJOR FUNDS DESCRIPTIONS

### General Fund

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

### FEMA Special Revenue Fund

The FEMA Special Revenue Fund is used to account for the proceeds from and expenditures of federal grants from the United States Department of Homeland Security's FEMA Public Assistance Program.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Balance Sheet -  
Governmental Funds  
June 30, 2017

	General	FEMA Special Revenue Fund	Other Governmental	Total
<b>ASSETS</b>				
Cash	\$ 31,064,541	\$ -	\$ 26,211	\$ 31,090,752
Investments	25,947,163	-	-	25,947,163
Receivables	156,571	-	-	156,571
Due from other government agencies	62,367	2,475,025	152,845	2,690,237
Due from other funds	3,840,792	-	28,147	3,868,939
Inventory	-	-	29,096	29,096
Accrued interest receivable	122,336	-	-	122,336
Prepaid expenses	783,104	-	-	783,104
Total assets	<u>61,976,874</u>	<u>2,475,025</u>	<u>236,299</u>	<u>64,688,198</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>				
	<u>\$ 61,976,874</u>	<u>\$ 2,475,025</u>	<u>\$ 236,299</u>	<u>\$ 64,688,198</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 208,774	\$ 111,397	\$ 6,775	\$ 326,946
Accrued salaries and related benefits	961,286	-	95,254	1,056,540
Contract payable	-	-	-	-
Retainage payable	6,603	6,363	-	12,966
Other liabilities	39,658	-	-	39,658
Unearned revenue	8,115,370	866,434	-	8,981,804
Due to other funds	-	3,769,034	99,905	3,868,939
Total liabilities	<u>9,331,691</u>	<u>4,753,228</u>	<u>201,934</u>	<u>14,286,853</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	783,104	-	29,096	812,200
Restricted	-	-	16,360	16,360
Committed	10,940,954	-	-	10,940,954
Unassigned	40,921,125	(2,278,203)	(11,091)	38,631,831
Total fund balances	<u>52,645,183</u>	<u>(2,278,203)</u>	<u>34,365</u>	<u>50,401,345</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>				
	<u>\$ 61,976,874</u>	<u>\$ 2,475,025</u>	<u>\$ 236,299</u>	<u>\$ 64,688,198</u>

The accompanying notes are an integral part of the basic financial statements.



CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds  
For the Year Ended June 30, 2017

	General	FEMA Special Revenue Fund	Other Governmental	Total
<b>Revenues</b>				
Local Sources:				
Ad valorem taxes	\$ 8,071,839	\$ -	\$ -	\$ 8,071,839
Parish contributions to retirement fund	336,667	-	-	336,667
Interest and investment earnings	177,303	-	-	177,303
Food services	-	-	81,361	81,361
Other local revenue	820,996	-	2,106	823,102
State sources:				
Equalization	3,785,446	-	550,000	4,335,446
Restricted grants-in-aid	212,228	-	-	212,228
Revenue sharing	22,263	-	-	22,263
Other state revenues	65,641	-	-	65,641
Federal sources	28,243	4,678,350	938,905	5,645,498
<b>Total revenues</b>	<u>13,520,626</u>	<u>4,678,350</u>	<u>1,572,372</u>	<u>19,771,348</u>
<b>Expenditures</b>				
Current:				
Instruction -				
Regular programs	8,129,491	82,995	-	8,212,486
Special education programs	1,510,494	13,840	233,671	1,758,005
Vocational education programs	984,896	-	10,037	994,933
Other instructional programs	392,621	-	12,705	405,326
Special programs	670,543	-	109,698	780,241
Support services -				
Pupil support services	1,139,102	-	100,877	1,239,979
Instructional staff support services	892,789	-	185,782	1,078,571
General administration	967,244	21,630	-	988,874
School administration	1,577,864	-	-	1,577,864
Business services	475,777	-	-	475,777
Operation and maintenance of plant services	3,534,023	35,413	-	3,569,436
Student transportation services	1,187,305	-	5,379	1,192,684
Central services	15,378	-	-	15,378
Non-instructional services -				
Food services	84,946	-	908,910	993,856
Community service programs	25,158	-	-	25,158
Indirect costs	(3,248)	-	3,248	-
Facilities acquisition and construction	515,206	770,457	21,437	1,307,100
Debt service:				
Principal retirement	-	-	2,290,000	2,290,000
Interest and fiscal charges	-	-	58,474	58,474
<b>Total expenditures</b>	<u>22,099,589</u>	<u>924,335</u>	<u>3,940,218</u>	<u>26,964,142</u>
Deficiency of revenues over expenditures	<u>(8,578,963)</u>	<u>3,754,015</u>	<u>(2,367,846)</u>	<u>(7,192,794)</u>
Other financing sources (uses):				
Transfer to other LEA	(22,767)	-	-	(22,767)
Transfers in	-	-	2,348,474	2,348,474
Transfers out	(2,348,474)	-	-	(2,348,474)
<b>Total other financing sources (uses)</b>	<u>(2,371,241)</u>	<u>-</u>	<u>2,348,474</u>	<u>(22,767)</u>
Special items:				
Judgments	785,342	-	-	785,342
<b>Net change in fund balances</b>	<u>(10,164,862)</u>	<u>3,754,015</u>	<u>(19,372)</u>	<u>(6,430,219)</u>
Fund balances, beginning	62,810,045	(6,032,218)	53,737	56,831,564
<b>Fund balances, ending</b>	<u>\$ 52,645,183</u>	<u>\$ (2,278,203)</u>	<u>\$ 34,365</u>	<u>\$ 50,401,345</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2017

Total net change in fund balances for the year ended June 30, 2017 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ (6,430,219)
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay which is considered as expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 308,070	
Depreciation expense for year ended June 30, 2017	<u>(4,168,232)</u>	(3,360,162)
Repayment of bond principal, notes payable, and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		2,290,200
Amortization of bond premium		52,996
Change in compensated absences for year ended June 30, 2017.		(3,816)
In the Statement of Activities, post employment benefits are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for this item are measured by the amount of financial resources used (essentially the amounts actually paid).		(1,186,874)
In the Statement of Activities, Interest is measured by the amount incurred during the year. In the governmental funds, however, Interest is measured by the amount of financial resources used (essentially, the amounts actually paid).		15,183
Net pension expense is reported in the governmental fund as expenditures as they are paid, however, in the statement of activities the net pension expense is reported according to estimates required by GASB 68		
Pension expense paid	2,813,727	
Pension expense per GASB 68	<u>(1,349,699)</u>	<u>1,464,028</u>
Total change in net position at June 30, 2017 per Statement of activities		<u>\$ (7,158,864)</u>

The accompanying notes are an integral part of the basic financial statements.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Statement of Net Position - Fiduciary Fund  
June 30, 2017

ASSETS	
Cash	<u>\$ 517,707</u>
LIABILITIES	
Deposits due others	<u>\$ 517,707</u>

The accompanying notes are an integral part of the basic financial statements.

## CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Cameron Parish School Board (School Board) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

#### 1. Financial Reporting Entity

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

The School Board operates 4 schools within the parish with a total enrollment of 1,281 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

#### 2. Basis of Presentation

##### Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the School Board, the primary government, as a whole. They include all funds of the reporting entity, which are considered to be governmental activities.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

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

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

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The School Board reports the following major governmental funds.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements

June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

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

The FEMA Special Revenue Fund is used to account for the proceeds from and expenditures of federal grants from the United States Department of Homeland Security's FEMA Public Assistance Program. The LCDBG Fund is used to account for the receipts and disbursements of a federal grant for various improvements throughout the District.

Additionally, the School Board reports the following fund types:

Special Revenue Funds

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

Debt Service Funds

Debt service funds, established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used to acquire, construct, or improve capital facilities not reported in other governmental funds.

Fiduciary Funds

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

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

3. Measurement Focus/ Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, the governmental activities are presented using the economic resources measurement focus. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gain, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements

June 30, 17

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

Allocation of indirect expenses

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means being collectible within the current period or within 60 days after year-end. Expenditures (including facilities acquisition and construction) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

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

Substantially all other revenues are recorded when received.

Expenditures

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

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

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Principal and interest on general long-term obligations are not recognized until due.

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

Other Financing Sources (Uses)

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

Unearned Revenues

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

# CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

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

### 4. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

#### Cash

Cash include all demand accounts, savings accounts, money market accounts and certificates of deposits of the School Board.

#### Investments

Under state law the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at fair value in accordance with GASB 31. Fair value is defined as the amount at which a financial instrument could be exchanged in a current asset transaction between willing parties. Fair value was determined based on quoted market prices.

#### Interfund receivables and payables

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

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

Inventories

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

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2017 are recorded as prepaid items.

Capital Assets

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

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets,

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements

June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

which are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets.

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

Buildings and improvements	20-40 years
Furniture and equipment	5-20 years

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

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

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, 2003 were considered to be part of the cost of buildings and improvements. 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 depreciable capital assets.

Compensated Absences

All 12-month employees earn from 10 to 15 days vacation leave each year, depending on their length of service with the School Board. Vacation leave must be taken in the year earned. Upon separation from service, all unused vacation leave is forfeited.

All employees earn from 10 to 15 days of sick leave each year, depending on the number of months of the school year they are employed by the School Board. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is paid to employees (or heirs) at the employee's current rate

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements

June 30, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service. Under the Louisiana Teachers' Retirement system and for sick leave earned under the Louisiana School Employees Retirement System all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

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

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

In the government-wide statements, the School Board accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion (\$39,874) is the amount estimated to be used/paid in the following year. The remainder is reported as non-current (\$936,964). In accordance with GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements," no compensated absences liability is recorded in the governmental fund financial statements.

Long-term debt

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable and accrued compensated absences

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has no deferred outflows of resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time

Equity Classifications

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

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

- b Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation. At June 30, 2017, the School Board reported \$16,360 of restricted net position, which is restricted by debt covenants or enabling legislation.
- c Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Fund balances are classified as follows in the governmental fund financial statements.

*Nonspendable* - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* - amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Board members.

*Assigned* - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the School Board's adopted policy, only Board members or the Board's finance committee may assign amounts for specific purposes.

*Unassigned* - all other spendable amounts.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

As of June 30, 2017, fund balance components other than unassigned fund balance consist of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>
General Fund			
Prepaid items	\$ 783,104	\$ -	\$ -
Emergencies	-	-	10,639,602
Worker compensation	-	-	301,352
Nonmajor funds			
Inventory	29,096	-	-
Capital projects	-	11,179	-
Other	-	5,181	-
Total fund balances	<u>\$ 812,200</u>	<u>\$ 16,360</u>	<u>\$ 10,940,954</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Board members or the finance committee has provided otherwise in its commitment or assignment actions.

5. Encumbrances

Encumbrance accounting is not employed; however, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

6. Revenue Restrictions

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

7. Capitalization of Interest Expense

It is the policy of the School Board to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. At June 30, 2017,

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

8. Use of Estimates

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

9. Interfund Transfers

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

10. Impairments

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

11. Budget Practices

The proposed budget for 2017 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2017 budget on September 12, 2016. In accordance with R.S.17:88(A), parish school boards must adopt the budget no later than September fifteenth of each year. The budget, which included proposed expenditures and the means of financing them, for the

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- CONTINUED

General and Special Revenue Funds, was published in the official journal ten days prior to the public hearing.

The budgets for the General and Special Revenue Funds for the fiscal year 2017 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

The level of control over the budget is exercised at the function or program level for the General and Special Revenue. The Superintendent is authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. For the year ended June 30, 2017, budgeted expenditures in the General Fund exceeded actual expenditures by \$55,271 and actual revenues exceeded budgeted revenues by \$746,497.

NOTE B – CASH AND INVESTMENTS

1. Cash

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the School Board has cash (book balances) as follows:

	Governmental Activities	Fiduciary Funds	Total
Demand Deposits	\$ 1,339	\$ -	\$ 1,339
Interest-bearing accounts	7,253,009	517,707	7,770,716
Money market funds	23,836,404	-	23,836,404
Total	<u>\$ 31,090,752</u>	<u>\$ 517,707</u>	<u>\$ 31,608,459</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE B – CASH AND INVESTMENTS -- CONTINUED

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2017, are as follows:

Bank balances	\$ 32,034,443
Federal deposit insurance	1,003,460
Uninsured and collateral held by the pledging bank not in the School Board's name	25,665,432
Total federal insurance and pledged securities	<u>\$ 26,668,891</u>

2 Investments

At June 30, 2017, the School Board has investments as follows:

Fund	Description	Reported Amount/Market Value
General	U.S. Treasury Note	\$ 3,866,386
	Collateralized Mortgage Obligations (CMO)	15,038,071
	Mortgage Backed Securities (MBS)	12,638,212
	Passthrough	8,184,588
	Government Related	<u>\$ 39,727,257</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE B – CASH AND INVESTMENTS -- CONTINUED

The School Board has adopted a short term conservative investment policy for other investments. This policy's objective is to generate risk-adjusted returns with investments in U.S. Treasury and government agency bonds, including mortgaged-backed securities with an emphasis on a 1-5 year term area.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The School 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. Information about the exposure of the School Board's debt type investments to this risk, using the segmented time distribution model is as follows:

Description	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Over 10
Cash and interest-bearing deposits					
Money market	\$13,396,495	\$13,396,495	\$ -	\$ -	\$ -
Investments					
U.S. Treasury notes	\$ 3,799,356	\$ 1,951,262	\$ 1,848,095	\$ -	\$ -
CMO's	8,085,745	406,089	2,656,103	1,991,098	3,032,454
MBSs Passthrough	8,539,804	-	1,620,458	6,472,084	447,263
Government Related	5,522,258	4,958,984	563,273	-	-
Total investments	\$25,947,163	\$ 7,316,335	\$6,687,929	\$8,463,182	\$3,479,717

Credit risk is managed by restricting investments to those authorized by R.S. 33:2955.

Concentrations: The School Board's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity. Securities from issuers totaling five percent or more of a portfolio are as follows:

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE B – CASH AND INVESTMENTS -- CONTINUED

	<u>Rating</u>	<u>Percentage</u>
MBS passthrough:		
Federal National Mortgage Association	Aaa	100%
CMOs		
Federal National Mortgage Association	Aaa	61.1%
Federal Home Loan Mortgage Corporation	Aaa	27.4%
Government National Mortgage Association	AA+	11.5%
Government related:		
Tennessee Valley Authority	Aaa	28.4%
Private Export Funding Corporation	Aaa	32.9%
New Valley Generation I	Aaa	6.2%
New Valley Generation V	Aaa	4.0%
Federal Farm Credit Bank	Aaa	19.5%
US Treasuries	Aaa	100%

Custodial credit risk: This is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the School Board will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The School Board does not have custodial credit risk policies for investments.

NOTE C – AD VALOREM TAXES

The following ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2017, taxes were levied by the School Board and were billed to taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Tax Assessor of Cameron Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Lund contributions.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE C – AD VALOREM TAXES - CONTINUED

For the year ended June 30, 2017, taxes were levied on property with net assessed valuations totaling \$253,118,359 and were dedicated as follows:

	<u>Authorized Millage</u>	<u>Expiration Date</u>
Parishwide Taxes:		
Constitutional	4.84	2020
Special Maintenance	8.14	2028
Operation	10.91	2026
Additional Support	10.91	2026
Total assessment	<u>34.80</u>	

Gross taxes levied for the current fiscal year totaled \$8,889,536. After deductions for various pension distributions and uncollectible taxes and collections of back taxes, net taxes remitted to the School Board amounted to \$8,408,506.

NOTE D – DUE FROM OTHER GOVERNMENTS

Due from Other Governments consisted of the following:

	<u>Grants</u>		<u>Totals</u>
	<u>Federal</u>	<u>State</u>	
General Fund	\$ -	\$ 62,367	\$ 62,367
FEMA Special Revenue Fund	2,475,025	-	2,475,025
Other non-major funds	152,845	-	152,845
Total receivables	<u>\$ 2,627,870</u>	<u>\$ 62,367</u>	<u>\$ 2,690,237</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE E – CAPITAL ASSETS

Capital assets balances and activity is as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets not being depreciated:				
Land	\$ 763,693	\$ -	\$ -	\$ 763,693
Construction in progress	1,519,925	535,814	(1,773,430)	182,309
Other capital assets:				
Building and improvements	128,578,875	2,145,686	-	130,724,561
Furniture and equipment	5,064,283	-	-	5,064,283
Total	<u>135,926,776</u>	<u>2,581,500</u>	<u>(1,773,430)</u>	<u>136,734,846</u>
Less accumulated depreciation:				
Buildings and improvements	20,153,667	3,847,927	-	24,001,594
Furniture and equipment	3,416,315	320,305	-	3,736,620
Total	<u>23,569,982</u>	<u>4,168,232</u>	<u>-</u>	<u>27,738,214</u>
Net capital assets	<u>\$112,356,794</u>	<u>\$(1,586,732)</u>	<u>\$(1,773,430)</u>	<u>\$108,996,632</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 2,119
Vocational education programs	14,753
Other instructional programs	3,805
Business services	660
Operation and maintenance of plant services	67,341
Student transportation services	225,500
Food services	6,128
Facility acquisition and construction	<u>3,847,926</u>
Total	<u>\$ 4,168,232</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE F – LONG-TERM LIABILITIES

Long-term debt outstanding is as follows: \$3,130,000 General Obligation Refunding School Bonds, Series 2012, due in annual installments of \$270,000 to \$365,000 through March 1, 2023; at interest rates of 2.00% to 3.00% (to be retired from the proceeds of ad valorem taxes).

\$ \_\_\_\_\_ -

Total

\$ \_\_\_\_\_ -

The bonds are due as follows:

Changes in General Long-Term Liabilities During the year ended June 30, 2017, the following changes occurred in long-term liabilities transactions and balances:

	Balance 6/30/2016	Additions	Reductions	Balance 6/30/2017	Due Within One Year
General Obligation Bonds	\$2,290,000	\$ -	\$2,290,000	\$ -	\$ -
Compensated absences	973,021	28,070	24,253	976,838	39,741
Total	\$3,263,021	\$ 28,070	\$2,314,253	\$ 976,838	\$ 39,741

The amount of interest charged to expense is \$58,474.

Compensated absences typically have been liquidated by the General Fund and a few other governmental funds.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS

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

1. Teachers' Retirement System of Louisiana (TRS)

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

**Funding Policy:** Plan members are required to contribute 8.0 percent of their annual covered salary for the Regular and Optional Retirement Plans. The School Board is required to contribute an actuarially determined rate. The current rate is 25.5 percent of annual covered payroll for the Regular Plan. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deducting from local ad valorem taxes, and by remittances from the School Board. The School Board's contributions to the TRS for the years ending June 30, 2017, 2016, and 2015 were \$2,542,832, \$2,688,151, and \$2,934,269, respectively, equal to the required contributions for each year.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

At June 30, 2017, the District reported a liability of \$25,290,390 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to their pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2016, the District's proportion was .215476%.

For the year ended June 30, 2017, the District recognized pension expense (benefit) of \$(1,518,838) including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$193,152. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 499,303
Difference between expected and actual investment	1,841,082	-
Changes in proportion and differences between:		
Contributions and proportionate share of contributions	-	1,132,000
Contributions subsequent to the measurement date	2,542,833	-
Total	<u>\$ 4,383,915</u>	<u>\$ 1,631,303</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

\$2,542,833 reported as deferred outflows of resources related to pensions resulting from District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other accounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Amount
2018	\$ 41,955
2019	41,955
2020	41,955
2021	41,955
2022	41,955
Thereafter	-

*Actuarial methods and assumption.* The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components on net pension liability of the System's employers as of June 30, 2016 are as follows:

Total Pension Liability	\$ 29,383,401,978
Plan Fiduciary Net Pension	17,535,415,151
Total Net Pension Liability	<u>\$ 11,736,986,827</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Amortization approach	Closed
Investment Rate of Return	7.75% (Net of investment expense)
Expected Remaining Service Lives	5 years
Inflation Rate	2.5% per annum
Projected Salary Increases	3.5% - 10% depending on duration of service
Cost-of-living adjustment	None
Mortality	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.
Termination and disability	Termination, disability and retirement assumptions were projected based on a five year (2008-2012) experience study of the System's members.

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 rate 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 rate of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment of the effect of rebalancing/ diversification. Best estimates of arithmetic real rate of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	4.50%
International Equity	5.31%
Domestic Fixed Income	2.45%
International Fixed Income	3.28%
Private Equity	6.80%
Other Private Assets	4.82%

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity to changes in discount rate.* The following presents the net pension liability of the District calculated using the discount rate of 7.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.75% or one percentage point higher 8.75% than the current rate.

	Changes in Discount Rate 2016		
	1%	Current	1% Increase
	Decrease 6.75%	Discount Rate 7.75%	8.75%
Net Pension Liability (Asset)	\$ 31,544,857	\$ 25,290,390	\$ 19,968,261

2. Louisiana School Employees' Retirement System (LSERS)

Plan Description: The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS – CONTINUED

benefits and five years to become vested for disability and survivor benefits. Benefits are established by state statute. The LSERS issues a publicly available financial report that included financial statements are required supplemental information for the LSERS. That report may be obtained by writing to Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484. Funding Policy: Plan members are required to contribute 7.5% of their annual covered salary for members hired before July 1, 2010 and 8.0% for new hires enrolled on or after July 1, 2010. The School Board is required to contribute at an actuarially determined rate. The current rate is 27.3 percent of annual covered payroll. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LASERS is funded by the State of Louisiana through annual appropriations. The School Board's contributions to the LASERS for the years ending June 30, 2017, 2016, and 2015 were \$270,895, \$321,072, and \$372,784, respectively, which equal the required contributions for each year.

At June 30, 2017, the District reported a liability of \$2,840,276 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to their pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2016, the District's proportion was .376521%.

For the year ended June 30, 2017, the District recognized pension expense (benefit) of \$54,810 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$4,297. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 77,509
Difference between expected and actual assumptions	67,286	75,071

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Difference between expected and actual investment	359,815	-
Changes in proportion and differences between:		
Contributions and proportionate share of contributions	-	176,750
Contributions subsequent to the measurement date	270,895	-
Total	<u>\$ 697,996</u>	<u>\$ 329,330</u>

\$270,895 reported as deferred outflows of resources related to pensions resulting from District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other accounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Amount
<u>                    </u>	<u>                    </u>
2018	\$ 32,590
2019	32,590
2020	32,590
2021	-
2022	-
Thereafter	-

The components on net pension liability of the System's employers as of June 30, 2016 are as follows:

Total Pension Liability	\$ 2,522,157,498
Plan Fiduciary Net Pension	1,767,810,247
Total Net Pension Liability	<u>\$ 754,347,251</u>

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.125% (Net of investment expense)
Expected Remaining Service Lives	3 years
Inflation Rate	2.625% per annum
Projected Salary Increases	Salary increases were projected based on a 2008-2012 experience study of the Plan's members. The annual salary growth rates are based upon the members' years of service.
Cost-of-living adjustment	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	Mortality rates based on the RP-2000 Combined Healthy Sex District Mortality Table

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.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE G – PENSION PLANS -- CONTINUED

The best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Portfolio Real Rate of Return
Fixed Income	30%	1.82%
Equity	51%	3.10%
Alternatives	13%	0.79%
Real Assets	6%	0.36%
Totals	100%	6.07%
Inflation		2.00%
Expected Arithmetic Nominal Return		8.07%

The discount rate used to measure the total pension liability was 7.125%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity to changes in discount rate.* The following presents the net pension liability of the District calculated using the discount rate of 7.125%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	Changes in Discount Rate 2016		
	1% Decrease	Current Discount Rate	1% Increase
	6.125%	7.125%	8.125%
Net Pension Liability (Asset)	\$ 3,728,491	\$ 2,840,276	\$ 2,079,306

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE H – POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the School Board recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the School Board's future cash flows. Because the School Board is adopting the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan Description: Cameron Parish School Board's 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 has been deemed to be an agent multiple-employer plan (within the meaning of paragraph 22 of GASB Codification Section P50) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement. Employees have been assumed to be covered by the Teachers' Retirement System of Louisiana (TRSL), whose 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; or, age 60 and 5 years of service. Employees who have entered the system on and after January 1, 2011 must be at least age 60 to be eligible for retirement (D.R.O.P. entry) without a reduction in retirement benefits.

Life insurance coverage under the OGB program is available to retirees by election. The employer pays 50% of the "cost" of the retiree life insurance, but based on the blended rates. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption, zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE H – POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENIFITS --  
CONTINUED

Contribution Rates: Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy: Until 2008, the Cameron Parish School Board recognized the cost of providing post-employment medical and life insurance benefits (the Cameron Parish School Board's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2016 and 2015, the Cameron Parish School Board's portion of health care and life insurance funding cost for retired employees totaled \$1,557,749 and \$1,442,360 respectively.

Effective July 1, 2008, the Cameron Parish School Board implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution: The Cameron Parish School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2017	2016
Normal cost	\$ 825,643	\$ 738,009
30-year UAL amortization amount	1,870,310	1,802,135
Annual required contribution (ARC)	<u>\$ 2,695,953</u>	<u>\$ 2,540,144</u>

Net Post-employment Benefit Obligation (Asset): The table below shows Cameron Parish School Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30:

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE H – POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENIFITS --  
CONTINUED

	2017	2016
Beginning Net OPEB Obligation	\$ 6,520,469	\$ 5,638,611
Annual required contribution	2,695,953	2,540,144
Interest on Net OPEB Obligation	260,819	225,544
ARC Adjustment	(377,079)	(326,081)
OPEB Cost	2,579,692	2,439,607
Contribution to Irrevocable Trust	-	-
Current year retirement premium	(1,392,818)	(1,557,749)
Change in Net OPEB Obligation	1,186,874	881,858
Ending Net OPEB Obligation	\$ 7,707,343	\$ 6,520,469

The following table shows Cameron Parish School Board's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Contributed	Net OPEB Obligation
June 30, 2017	\$ 2,579,692	54.0%	\$ 7,707,343
June 30, 2016	\$ 2,439,607	63.9%	\$ 6,520,469
June 30, 2015	\$ 2,358,239	61.2%	\$ 5,638,611

Funded Status and Funding Progress: In the fiscal year ending June 30, 2017, Cameron Parish School Board made no contributions to its post employment benefits plan. The plan was not funded, has no assets, and hence has a funded ratio of zero. As of July 1, 2016, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2017 was \$33,635,091, which is defined as that portion, as determined by a particular actuarial cost method (Cameron Parish School Board uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

	2017	2016
Actuarial Accrued Liability (AAL)	\$ 33,635,091	\$ 32,409,098
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ 33,635,091	\$ 32,409,098
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 11,055,943	\$ 11,111,587
UAAL as a percentage of covered payroll	304.23%	291.67%

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE H – POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENIFITS --  
CONTINUED

**Actuarial Methods and Assumptions:** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Cameron Parish School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Cameron Parish School Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Cameron Parish School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method:** The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

**Actuarial Value of Plan Assets:** There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

**Turnover Rate:** An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 12%.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE H – POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENIFITS --  
CONTINUED

Post employment Benefit Plan Eligibility Requirements: It is assumed that entitlement to benefits will commence three years after earliest eligibility to enter the D.R.O.P. as described above under the heading "Plan Description". This consists of a three year D.R.O.P. period. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate): GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate: The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate: The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits: The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The "State Share" premiums in the OGB medical rate schedule provided are "unblended" rates for active and retired as required by GASB Codification Section P50 and have been used for valuation purposes.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE H – POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENIFITS --  
CONTINUED

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

	OPEB Costs and Contributions		
	2015	2016	2017
OPEB Cost	\$ 2,358,239	\$ 2,439,607	\$ 2,579,692
Contribution	-	-	-
Retiree premium	1,442,360	1,557,749	1,392,818
Total contribution and premium	<u>1,442,360</u>	<u>1,557,749</u>	<u>1,392,818</u>
Change in net OPEB obligation	\$ <u>915,879</u>	\$ <u>881,858</u>	\$ <u>1,186,874</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	61.16%	63.85%	53.99%

NOTE I – COMMITMENTS AND CONTINGENCIES

1. Litigation

At June 30, 2017, the Cameron Parish School Board was involved in several lawsuits. The School Board's legal counsel has reviewed the claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at an estimate, if any, of the amount or range of potential loss to the School Board not covered by insurance. As a result of the review, the various claims and lawsuits have been categorized as "remote," as defined by the Governmental Accounting Standards Board. It is the opinion of the School Board that the liability, if any, which might arise

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE I – COMMITMENTS AND CONTINGENCIES - CONTINUED

from these lawsuits would not have a material adverse effect on the School Board's financial position.

2. Commitments

At June 30, 2017, the School Board had several uncompleted construction contracts in the FEMA Special Revenue Fund. The remaining commitment on these contracts was approximately \$1,300,000.

3. Tax Abatement Program

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten year of its operation; after which the property will be added to the local tax roll and taxed at the value and millages in force at the time. The future value of this exempt property could be subject to significant fluctuations from today's value; however the School Board could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed or due, no adjustments have

NOTE I – COMMITMENTS AND CONTINGENCIES - CONTINUED

been made to the School Board's financial statements to record a receivable. As of June 30, 2018, \$1,207,298,205 of property in the School Board's taxing jurisdiction is receiving this exemption.

4. Grant Audits

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

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE J – INTERFUND TRANSACTIONS

1 Interfund receivables and payables, by fund are as follows.

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major funds:		
General Fund	\$ 3,840,792	\$ -
FEMA Special Revenue Fund	-	3,769,034
Total major funds	<u>3,840,792</u>	<u>3,769,034</u>
Nonmajor funds	<u>28,147</u>	<u>99,905</u>
Total	<u>\$ 3,868,939</u>	<u>\$ 3,868,939</u>

The amounts due to the General Fund from various other funds are for reimbursements owed for expenditures paid for those funds.

2 Transfers consisted of the following

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
General Fund	\$ -	\$ 2,348,474
Nonmajor funds	<u>2,348,474</u>	<u>-</u>
Total	<u>\$ 2,348,474</u>	<u>\$ 2,348,474</u>

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

NOTE K – RISK MANAGEMENT

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees and others. To handle such risk of loss, the School Board maintains commercial insurance policies covering automobile liability and medical payments, workers compensation, general liability, errors and omissions, and surety bond coverage on the superintendent. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE L – ON-BEHALF PAYMENTS

The accompanying financial statements include on-behalf payments made by the Cameron Parish Tax Collector for \$336,667 to the Teacher's Retirement System of Louisiana for employee retirement benefits, as required by GASB Statement No. 24 Accounting and Financial Reporting for Certain Grants and Other Financial Assistance. The total amount of \$336,667 is recorded in the accounting system of the Cameron Parish School Board.

NOTE M – UNEARNED REVENUE

Sabine Pass' LNG is a liquefied natural gas receiving facility located within the Cameron Parish boundaries. Sabine Pass' LNG qualified for the State of Louisiana's industrial ad valorem tax abatement program for a ten year period beginning in the year Sabine Pass' LNG's operations commenced. As a result of this abatement, in February 2007, Cameron Parish School Board entered into a Cooperative Endeavor and Payment in Lieu of Tax Agreement with Sabine Pass' LNG wherein Sabine Pass' LNG agreed to make advanced payments of its ad valorem tax liability which will begin in the eleventh year after operations commence. In return, Cameron Parish School Board agreed to provide Sabine Pass' LNG with a dollar for dollar credit against those future taxes. As a result of these advanced payments, the Cameron Parish School Board annually records unearned revenue. These payments will continue to accrue until the ad valorem tax is assessed against Sabine Pass' LNG and the credits are applied at which time the revenue will be recognized by Cameron Parish School Board. Unearned revenue related to this agreement is \$8,115,370.

Hurricanes Rita and Ike caused significant damage to the School Board's facilities. Through the U.S. Department of Homeland Security's (ELMA) Public Assistance Grant Program many of these facilities are being rebuilt or renovated. As these expenditures are incurred, the School Board requests reimbursement for the costs from FEMA. Due to delays in the receipt of these reimbursements, some of the funds are not available for the School Board to use to offset current year expenditures. These funds will not be recognized until they are available for use and are therefore, unearned. Unearned revenue related to these payments is \$866,434.

NOTE N – DEFICIT FUND BALANCE

The FEMA Special Revenue Funds had a deficit fund balance of \$2,278,203. This deficit is expected to be funded through grant payments or transfers from other funds.

CAMERON PARISH SCHOOL BOARD

Notes to Financial Statements  
June 30, 2017

NOTE O – SPECIAL ITEMS (JUDGEMENTS)

The School Board received \$785,342 during 2017, as a result of several lawsuits against oil and gas companies for environmental damages which were settled in favor of the School Board. Due to the nature of these lawsuits and the resulting settlements, this amount has been reported as a special item in the financial statements.

NOTE P – SUBSEQUENT EVENTS

The School Board evaluated subsequent events through December 31, 2017 the date which the financial statements were available to be issued.

NOTE Q – COMPENSATION TO BOARD MEMBERS

A detail of the compensation paid to individual board members is as follows:

	Amount
Paula Smythe	\$ 7,200
Joseph Delcambre	7,200
Rhonda Boudreaux	7,200
Sheila Miller	7,200
Christina Labove	7,200
Sharon Picou	7,200
John Canik	7,200
Marsha Trahan	7,200
	<u>\$ 57,600</u>

REQUIRED SUPPLEMENTARY INFORMATION

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

General Fund -  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2017

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Local Sources:				
Ad valorem taxes	\$ 8,417,000	\$ 8,017,000	\$ 8,071,839	\$ 54,839
Parish contributions to retirement fund	300,000	300,000	336,667	36,667
Interest and investment earnings	825,000	600,000	177,303	(422,697)
Food services	-	-	-	-
Other local revenue	767,690	767,690	820,996	53,306
State sources:				
Equalization	3,663,000	3,663,300	3,785,446	122,146
Restricted grants-in-aid	114,813	116,313	212,228	95,915
Revenue sharing	18,800	18,800	22,263	3,463
Other state revenues	11,800	10,000	65,641	55,641
Federal sources	20,000	20,000	28,243	8,243
<b>Total revenues</b>	<b>14,138,103</b>	<b>13,513,103</b>	<b>13,520,626</b>	<b>7,523</b>
<b>Expenditures</b>				
Current:				
Instruction -				
Regular programs	8,111,215	8,111,215	8,129,491	(18,276)
Special education programs	1,562,908	1,562,908	1,510,494	52,414
Vocational education programs	968,166	968,166	984,896	(16,730)
Other instructional programs	347,958	347,958	392,621	(44,663)
Special programs	485,909	485,909	670,543	(184,634)
Support services -				
Pupil support services	1,108,620	1,108,795	1,139,102	(30,307)
Instructional staff support services	849,344	849,344	892,789	(43,445)
General administration	938,780	956,780	967,244	(10,464)
School administration	1,522,410	1,522,410	1,577,864	(55,454)
Business services	480,436	480,436	475,777	4,659
Operation and maintenance of plant services	3,874,339	3,874,339	3,534,023	340,316
Student transportation services	1,099,250	1,099,250	1,187,305	(88,055)
Central services	8,500	8,500	15,378	(6,878)
Non-instructional services -				
Food services	85,500	85,500	84,946	554
Community service programs	27,000	27,000	25,158	1,842
Indirect cost	(25,000)	(5,000)	(3,248)	(1,752)
Facilities acquisition and construction	671,350	671,350	515,206	156,144
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>22,116,685</b>	<b>22,154,860</b>	<b>22,099,589</b>	<b>55,271</b>
Deficiency of revenues over expenditures	(7,978,582)	(8,641,757)	(8,578,963)	62,794
Other financing sources (uses):				
Transfer to other LEA	(25,000)	(25,000)	(22,767)	2,233
Transfers in	25,000	-	-	-
Transfers out	(671,350)	(2,350,000)	(2,348,474)	1,526
<b>Total other financing sources (uses)</b>	<b>(671,350)</b>	<b>(2,375,000)</b>	<b>(2,371,241)</b>	<b>3,759</b>
Special items:				
Judgments	-	-	785,342	785,342
<b>Net change in fund balances</b>	<b>(8,649,932)</b>	<b>(11,016,757)</b>	<b>(10,164,862)</b>	<b>851,895</b>
Fund balances, beginning	62,810,045	62,810,045	62,810,045	-
Fund balances, ending	\$ 54,160,113	\$ 51,793,288	\$ 52,645,183	\$ 851,895

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

FEMA Special Revenue Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2017

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Local Sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Parish contributions to retirement fund	-	-	-	-
Interest and investment earnings	-	-	-	-
Food services	-	-	-	-
Other local revenue	-	-	-	-
State sources:				
Equalization	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Revenue sharing	-	-	-	-
Other state revenues	-	-	-	-
Federal sources	2,046,200	2,046,200	4,678,350	2,632,150
<b>Total revenues</b>	<b>2,046,200</b>	<b>2,046,200</b>	<b>4,678,350</b>	<b>2,632,150</b>
<b>Expenditures</b>				
Current:				
Instruction -				
Regular programs	-	-	82,995	(82,995)
Special education programs	-	-	13,840	(13,840)
Vocational education programs	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	-	-	-	-
Support services -				
Pupil support services	-	-	-	-
Instructional staff support services	-	-	-	-
General administration	-	-	21,630	(21,630)
School administration	-	-	-	-
Business services	-	-	-	-
Operation and maintenance of plant services	80,000	80,000	35,413	44,587
Student transportation services	-	-	-	-
Central services	-	-	-	-
Non-instructional services -				
Food services	-	-	-	-
Community service programs	-	-	-	-
Indirect cost	-	-	-	-
Facilities acquisition and construction	1,966,200	1,966,200	770,457	1,195,743
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>2,046,200</b>	<b>2,046,200</b>	<b>924,335</b>	<b>1,121,865</b>
Deficiency of revenues over expenditures	-	-	3,754,015	3,754,015
<b>Other financing sources (uses):</b>				
Transfer to other LEA	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special items:</b>				
Judgments	-	-	-	-
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>3,754,015</b>	<b>3,754,015</b>
Fund balances, beginning	(6,032,218)	(6,032,218)	(6,032,218)	-
Fund balances, ending	\$ (6,032,218)	\$ (6,032,218)	\$ (2,278,203)	\$ 3,754,015

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Funding Progress-OPEB (Unaudited)  
For the Year Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2010	-	29,073,945	29,073,945	0.0%	14,021,917	207.3%
July 1, 2012	-	33,685,960	33,685,960	0.0%	12,397,619	271.7%
July 1, 2014	-	31,162,592	31,162,592	0.0%	11,841,899	263.2%
July 1, 2016	-	33,635,091	33,635,091	0.0%	11,055,943	291.7%

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Employer's Proportionate Share of Net Pension Liability  
For the Year Ended June 30, 2017\*

Teachers Retirement System of Louisiana:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Employer's portion of the net pension liability (asset)	0.2154760%	0.226004%	0.231642%
Employer's proportionate share of the net pension liability (asset)	\$ 25,290,390	\$ 24,300,577	\$ 23,677,153
Employer's covered payroll	\$ 9,971,894	\$ 9,532,450	\$ 10,153,180
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	253.62%	254.92%	233.20%
Plan fiduciary net position as a percentage of the total pension liability	59.9%	62.5%	63.7%

State of Louisiana School Employees' Retirement System:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Employer's portion of the net pension liability (asset)	0.3765210%	0.408744%	0.4219231%
Employer's proportionate share of the net pension liability (asset)	\$ 2,840,276	\$ 2,591,956	\$ 2,450,885
Employer's covered payroll	\$ 992,289	\$ 1,063,152	\$ 1,129,648
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	286.23%	243.80%	216.96%
Plan fiduciary net position as a percentage of the total pension liability	70.10%	74.49%	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 June 30, 2016.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Employer's Contributions  
For the Year Ended June 30, 2017

Teachers Retirement System of Louisiana:

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2015	\$ 2,934,269	\$ 2,934,269	\$ -	\$ 9,532,450	30.78%
2016	\$ 2,688,151	\$ 2,688,151	\$ -	\$ 10,153,180	26.48%
2017	\$ 2,542,832	\$ 2,542,832	\$ -	\$ 9,971,894	25.50%

State of Louisiana School Employees' Retirement System:

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2015	\$ 372,784	\$ 372,784	\$ -	\$ 1,063,152	35.06%
2016	\$ 321,072	\$ 321,072	\$ -	\$ 1,129,648	28.42%
2017	\$ 270,895	\$ 270,895	\$ -	\$ 992,289	27.30%

OTHER SUPPLEMENTARY INFORMATION

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Governmental Funds -  
Combining Balance Sheet  
June 30, 2017

	Special Revenue	Debt Service	Capital Projects	Total
<b>ASSETS</b>				
Cash	\$ 15,032	\$ -	\$ 11,179	\$ 26,211
Investments	-	-	-	-
Receivables	-	-	-	-
Due from other government agencies	152,845	-	-	152,845
Due from other funds	28,147	-	-	28,147
Inventory	29,096	-	-	29,096
Accrued interest receivable	-	-	-	-
Prepaid expenses	-	-	-	-
Total assets	<u>\$ 225,120</u>	<u>\$ -</u>	<u>\$ 11,179</u>	<u>\$ 236,299</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts Payable	\$ 6,775	\$ -	\$ -	\$ 6,775
Accrued salaries and related benefits	95,254	-	-	95,254
Contract payable	-	-	-	-
Retainage payable	-	-	-	-
Other liabilities	-	-	-	-
Due to other funds	99,905	-	-	99,905
Total liabilities	<u>201,934</u>	<u>-</u>	<u>-</u>	<u>201,934</u>
<b>FUND BALANCES</b>				
Nonspendable	29,096	-	-	29,096
Restricted	5,181	-	11,179	16,360
Committed	-	-	-	-
Unassigned	(11,091)	-	-	(11,091)
Total fund balances	<u>23,186</u>	<u>-</u>	<u>11,179</u>	<u>34,365</u>
Total liabilities and fund balances	<u>\$ 225,120</u>	<u>\$ -</u>	<u>\$ 11,179</u>	<u>\$ 236,299</u>

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Governmental Funds -  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2017

	Special Revenue	Debt Service	Capital Projects	Total
<b>Revenues</b>				
Local Sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Parish contributions to retirement fund	-	-	-	-
Interest and investment earnings	-	-	-	-
Food services	81,361	-	-	81,361
Other local revenue	2,087	-	19	2,106
State sources:				
Equalization	550,000	-	-	550,000
Restricted grants-in-aid	-	-	-	-
Revenue sharing	-	-	-	-
Other state revenues	-	-	-	-
Federal sources	938,905	-	-	938,905
<b>Total revenues</b>	<b>1,572,353</b>	<b>-</b>	<b>19</b>	<b>1,572,372</b>
<b>Expenditures</b>				
Current:				
Instruction -				
Regular programs	-	-	-	-
Special education programs	233,671	-	-	233,671
Vocational education programs	10,037	-	-	10,037
Other instructional programs	12,705	-	-	12,705
Special programs	109,698	-	-	109,698
Support services -				
Pupil support services	100,877	-	-	100,877
Instructional staff support services	185,782	-	-	185,782
General administration	-	-	-	-
School administration	-	-	-	-
Business services	-	-	-	-
Operation and maintenance of plant services	-	-	-	-
Student transportation services	5,379	-	-	5,379
Central services	-	-	-	-
Non-instructional services -				
Food services	908,910	-	-	908,910
Community service programs	-	-	-	-
Indirect cost	3,248	-	-	3,248
Facilities acquisition and construction	-	-	21,437	21,437
Debt service:				
Principal retirement	-	2,290,000	-	2,290,000
Interest and fiscal charges	-	58,474	-	58,474
<b>Total expenditures</b>	<b>1,570,307</b>	<b>2,348,474</b>	<b>21,437</b>	<b>3,940,218</b>
Deficiency of revenues over expenditures	2,046	(2,348,474)	(21,418)	(2,367,846)
Other financing sources (uses):				
Transfers in	-	2,348,474	-	2,348,474
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>2,348,474</b>	<b>-</b>	<b>2,348,474</b>
Special items:				
Judgments	-	-	-	-
<b>Net change in fund balances</b>	<b>2,046</b>	<b>-</b>	<b>(21,418)</b>	<b>(19,372)</b>
Fund balances, beginning	21,140	-	32,597	53,737
<b>Fund balances, ending</b>	<b>\$ 23,186</b>	<b>\$ -</b>	<b>\$ 11,179</b>	<b>\$ 34,365</b>

## NONMAJOR SPECIAL REVENUE FUNDS

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

### Title I

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

### Other Consolidated Federal Funds

#### Title II

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

#### Adult/Vocational Education

The Adult/Vocational Education funds accounts for allotments of federal Adult Education State Administered Program funds for the Louisiana Department of Education to provide adult education programs in the parish and to purchase instructional materials, supplies, and equipment for vocational educational programs.

#### Hurricane Education Assistance Program (HEAP)

The Hurricane Education Assistance Program (HEAP) Fund is a federal program that provides for recruiting, retaining, and compensating new and current teachers, school principals, assistant principals, and other educators who commit to work for at least three years in school-based positions in public elementary and secondary schools located in an area declared a major disaster by reason of Hurricane Katrina and Hurricane Rita.

#### Temporary Assistance for Needy Families

TANF programs provide time-limited assistance to needy families with children so the children can be cared for in their own homes or in the homes of relatives; end dependence of needy parents on government benefits by promoting job preparation, work and marriage; and encouraging the formation and maintenance of two-parent families.

## NONMAJOR SPECIAL REVENUE FUNDS-CONTINUED

### LCDBG Fund

The LCDBG Special Revenue Fund is used to account for the proceeds from and expenditures of federal grants from the United States Department of Housing and Urban Development's Community Development Block Grant.

### Special Education

Special Education Fund Accounts for federal, state and local funds which are specifically restricted for expenditures and activities which promote free appropriate public education to all eligible school children in the parish.

### School Lunch Fund

The School Food Service program makes nutritious breakfasts and lunches available to all students at 4 central kitchens. Funding is provided through collections at the schools from students and teachers, federal reimbursement of certain costs, USDA commodities, and state grants-in-aid.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Special Revenue Funds -  
Combining Balance Sheet  
June 30, 2017

	Title I	Other Consolidated Federal Funds	LCDBG Fund	School Lunch	Special Education	Total
<b>ASSETS</b>						
Cash	-	\$ 5,017	\$ -	\$ 10,015	-	\$ 15,032
Investments	-	-	-	-	-	-
Receivables	-	-	-	-	-	-
Due from other government agencies	42,083	12,184	-	-	98,578	152,845
Due from other funds	-	-	301	27,846	-	28,147
Inventory	-	-	-	29,096	-	29,096
Accrued interest receivable	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 42,083</b>	<b>\$ 17,201</b>	<b>\$ 301</b>	<b>\$ 66,957</b>	<b>\$ 98,578</b>	<b>\$ 225,120</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts Payable	\$ -	4,638	-	536	1,601	6,775
Accrued salaries and related benefits	21,775	2,424	-	48,717	22,338	95,254
Contract payable	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Due to other funds	20,308	4,958	-	-	74,639	99,905
<b>Total liabilities</b>	<b>42,083</b>	<b>12,020</b>	<b>-</b>	<b>49,253</b>	<b>98,578</b>	<b>201,934</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	29,096	-	29,096
Restricted	-	5,181	-	-	-	5,181
Committed	-	-	-	-	-	-
Unassigned	-	-	301	(11,392)	-	(11,091)
<b>Total fund balances</b>	<b>-</b>	<b>5,181</b>	<b>301</b>	<b>17,704</b>	<b>-</b>	<b>23,186</b>
<b>Total liabilities and fund balances</b>	<b>\$ 42,083</b>	<b>\$ 17,201</b>	<b>\$ 301</b>	<b>\$ 66,957</b>	<b>\$ 98,578</b>	<b>\$ 225,120</b>

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Special Revenue Funds -  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2017

	Title I	Other Consolidated Federal Funds	LCDBG Fund	School Lunch	Special Education	Total
<b>Revenues</b>						
Local Sources:						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parish contributions to retirement fund	-	-	-	-	-	-
Interest and investment earnings	-	-	-	-	-	-
Food services	-	-	-	81,361	-	81,361
Other local revenue	-	-	-	2,087	-	2,087
State sources:						
Equalization	-	-	-	550,000	-	550,000
Restricted grants-in-aid	-	-	-	-	-	-
Revenue sharing	-	-	-	-	-	-
Other state revenues	-	-	-	-	-	-
Federal sources	169,924	142,282	-	277,508	349,191	938,905
Total revenues	169,924	142,282	-	910,956	349,191	1,572,353
<b>Expenditures</b>						
Current:						
Instruction -						
Regular programs	-	-	-	-	-	-
Special education programs	-	-	-	-	233,671	233,671
Vocational education programs	-	10,037	-	-	-	10,037
Other instructional programs	12,705	-	-	-	-	12,705
Special programs	39,121	70,577	-	-	-	109,698
Support services -						
Pupil support services	-	-	-	-	100,877	100,877
Instructional staff support services	113,012	58,127	-	-	14,643	185,782
General administration	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Business services	-	-	-	-	-	-
Operation and maintenance of plant services	-	-	-	-	-	-
Student transportation services	5,086	293	-	-	-	5,379
Central services	-	-	-	-	-	-
Non-instructional services -						
Food services	-	-	-	908,910	-	908,910
Community service programs	-	-	-	-	-	-
Indirect cost	-	3,248	-	-	-	3,248
Facilities acquisition and construction	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	169,924	142,282	-	908,910	349,191	1,570,307
Deficiency of revenues over expenditures	-	-	-	2,046	-	2,046
Other financing sources (uses):						
Transfer to other LEA	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	-	-	-	2,046	-	2,046
Fund balances, beginning	-	5,181	301	15,658	-	21,140
Fund balances, ending	\$ -	\$ 5,181	\$ 301	\$ 17,704	\$ -	\$ 23,186

## NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of bonded debt principal, interest, and related costs

### School District No. 4

To accumulate monies for the payment of the General Obligation School Bonds, Series 2003 issued in the amounts of \$5,000,000 and General Obligation Refunding School Bonds Series 2012 issued in the amounts of \$3,130,000. The bonds were issued for the purpose of capital improvements for District No. 4. The bonds are financed by specifically dedicated ad valorem tax levies.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Debt Service Funds -  
Combining Balance Sheet  
June 30, 2017

	School District No. 4	School District No. 15	Total
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables	-	-	-
Due from other government agencies	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
Accrued interest receivable	-	-	-
Prepaid expenses	-	-	-
Total assets	\$ -	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued salaries and related benefits	-	-	-
Contract payable	-	-	-
Retainage payable	-	-	-
Other liabilities	-	-	-
Due to other funds	-	-	-
Total liabilities	-	-	-
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Unassigned	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balances	\$ -	\$ -	\$ -

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Debt Services Funds -  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2017

	School District No. 4	School District No. 15	Total
<b>Revenues</b>			
Local Sources:			
Ad valorem taxes	\$ -	\$ -	\$ -
Parish contributions to retirement fund	-	-	-
Interest and investment earnings	-	-	-
Food services	-	-	-
Other local revenue	-	-	-
State sources:			
Equalization	-	-	-
Restricted grants-in-aid	-	-	-
Revenue sharing	-	-	-
Other state revenues	-	-	-
Federal sources			
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Instruction -			
Regular programs	-	-	-
Special education programs	-	-	-
Vocational education programs	-	-	-
Other instructional programs	-	-	-
Special programs	-	-	-
Support services -			
Pupil support services	-	-	-
Instructional staff support services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Operation and maintenance of plant services	-	-	-
Student transportation services	-	-	-
Central services	-	-	-
Non-instructional services -			
Food services	-	-	-
Community service programs	-	-	-
Facilities acquisition and construction	-	-	-
Debt service:			
Principal retirement	2,290,000	-	2,290,000
Interest and fiscal charges	58,474	-	58,474
Total expenditures	<u>2,348,474</u>	<u>-</u>	<u>2,348,474</u>
Deficiency of revenues over expenditures	<u>(2,348,474)</u>	<u>-</u>	<u>(2,348,474)</u>
Other financing sources (uses):			
Transfer to other LEA	-	-	-
Transfers in	2,348,474	-	2,348,474
Transfers out	-	-	-
Total other financing sources (uses)	<u>2,348,474</u>	<u>-</u>	<u>2,348,474</u>
Net change in fund balances	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## NONMAJOR CAPITAL PROJECTS

The school district's capital projects funds account for the financial resources to be used to acquire, construct, or improve facilities within the respective districts.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Capital Projects Funds -  
Combining Balance Sheet  
June 30, 2017

	School District No. 5	School District No. 15	Total
<b>ASSETS</b>			
Cash	\$ -	11,179	\$ 11,179
Investments	-	-	-
Receivables	-	-	-
Due from other government agencies	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
Accrued interest receivable	-	-	-
Prepaid expenses	-	-	-
Total assets	\$ -	\$ 11,179	\$ 11,179
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued salaries and related benefits	-	-	-
Contract payable	-	-	-
Retainage payable	-	-	-
Other liabilities	-	-	-
Due to other funds	-	-	-
Total liabilities	-	-	-
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	11,179	11,179
Committed	-	-	-
Unassigned	-	-	-
Total fund balances	-	11,179	11,179
Total liabilities and fund balances	\$ -	\$ 11,179	\$ 11,179

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Nonmajor Capital Projects Funds -  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2017

	School District No. 5	School District No. 15	Total
<b>Revenues</b>			
<b>Local Sources:</b>			
Ad valorem taxes	\$ -	\$ -	\$ -
Parish contributions to retirement fund	-	-	-
Interest and investment earnings	-	-	-
Food services	-	-	-
Other local revenue	19	-	19
<b>State sources:</b>			
Equalization	-	-	-
Restricted grants-in-aid	-	-	-
Revenue sharing	-	-	-
Other state revenues	-	-	-
<b>Federal sources</b>			
	-	-	-
<b>Total revenues</b>	<u>19</u>	<u>-</u>	<u>19</u>
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction -</b>			
Regular programs	-	-	-
Special education programs	-	-	-
Vocational education programs	-	-	-
Other instructional programs	-	-	-
Special programs	-	-	-
<b>Support services -</b>			
Pupil support services	-	-	-
Instructional staff support services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Operation and maintenance of plant services	-	-	-
Student transportation services	-	-	-
Central services	-	-	-
<b>Non-instructional services -</b>			
Food services	-	-	-
Community service programs	-	-	-
Facilities acquisition and construction	21,437	-	21,437
<b>Debt service:</b>			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>21,437</u>	<u>-</u>	<u>21,437</u>
<b>Deficiency of revenues over expenditures</b>	<u>(21,418)</u>	<u>-</u>	<u>(21,418)</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(21,418)</u>	<u>-</u>	<u>(21,418)</u>
<b>Fund balances, beginning</b>	<u>21,418</u>	<u>11,179</u>	<u>32,597</u>
<b>Fund balances, ending</b>	<u>\$ -</u>	<u>\$ 11,179</u>	<u>\$ 11,179</u>

## FIDUCIARY FUNDS

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

### Agency Funds

#### School Activity Fund

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

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

School Activity Agency Fund  
Statement of Assets and Liabilities  
June 30, 2017

ASSETS

Cash	<u>\$ 554,440</u>
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LIABILITIES

Deposits due others	<u>\$ 554,440</u>
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CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

School Activity Agency Fund  
Schedule of Changes in Deposits Due Others  
For the Year Ended June 30, 2017

Schools	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
Grand Lake High	\$ 170,478	\$ 503,475	\$ 508,760	\$ 165,193
Hackberry High	134,739	265,475	260,922	139,292
Johnson Bayou High	83,547	92,410	98,734	77,223
South Cameron High	199,473	249,666	276,407	172,732
	<u>\$ 588,237</u>	<u>\$ 1,111,026</u>	<u>\$ 1,144,823</u>	<u>\$ 554,440</u>

OTHER INFORMATION

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Compensation, Benefits and Other Payments  
To Chief Executive Officer  
For the Year Ended June 30, 2017

Chief Executive Officer: Charles Adkins, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 102,197
Benefits - insurance	-
Benefits - retirement	10,000
Benefits - cell phone	-
Mileage	582
Vehicle provided by government	-
Per diem	-
Reimbursements	36
Travel	35
Conference registration	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Meal reimbursements	98
Dues	-

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2017

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Project Number</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<u>United States Department of Education</u>			
Passed through State Department of Education: Title I Grants to Local Education Agencies	28-17-T1-12	84.010	\$ 169,924
Improving Teacher Quality State Grants	28-17-50-12	84.367	62,973
Special Education Grants to States - IDEA Part B	28-17-B1-12	84.027	306,273
Special Education - Preschool Grants	28-17-CY-12	84.173	10,120
Vocational Education	28-17-02-12	84.048	<u>10,483</u>
Total United States Department of Education			<u>559,773</u>
<u>United States Department of Homeland Security</u>			
Passed through State Department of Homeland Security Emergency Preparedness: Public Assistance Grants*		97.036	917,972 *
<u>United States Department of Agriculture</u>			
Pass through State Department of Agriculture: USDA Commodities		10.555	43,510 *
Passed through State Department of Education: National School Lunch & School Milk Program Total for CFDA 10.555		10.555	<u>171,766</u> *
School Breakfast Program		10.553	<u>62,232</u> *
Total Department of Agriculture			<u>277,508</u>

Continued

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	Project Number	CFDA Number	Expenditures
<u>United States Department of Health and Human Services</u>			
Passed through State Department of Education			
Child Care & Development Block Grant	28-17-CO-12	93-575	\$ 1,681
Temporary Assistance for Needy Families	28-17-36-12	93-558	67,144
Total Department of Health and Human Services			<u>68,825</u>
<u>United States Department of Interior</u>			
Direct Assistance			
Payment in lieu of taxes		15-226	<u>28,243</u>
TOTAL FEDERAL AWARDS			<u>\$ 1,852,321</u>

Note A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Cameron Parish School Board under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Cameron Parish School Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of Cameron Parish School Board.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

(2) The Cameron Parish School Board has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

\* - Denotes Major Program



**Gragson, Casiday & Guillory, L.L.P.**  
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

December 20, 2017

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
Cameron, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cameron Parish School Board, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Cameron Parish School Board's basic financial statements, and have issued our report thereon dated December 20, 2017.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Mr. Charles Adkins, Superintendent,

145 East Street • Lake Charles, LA 70601  
Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847  
phone: 337.439.1986 • fax: 337.439.1366 • [www.gcgcpa.com](http://www.gcgcpa.com)

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
December 20, 2017  
Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Cameron Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Drayson, Casiday & Guillory*



**Gragson, Casiday & Guillory, L.L.P.**  
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE

December 20, 2017

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
Cameron, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited Cameron Parish School Board's (School Board) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2017. 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.

**Managements Responsibility**

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

**Auditors' Responsibility**

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

145 East Street • Lake Charles, LA 70601  
Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847  
phone: 337.439.1986 • fax: 337.439.1366 • [www.gcgcpa.com](http://www.gcgcpa.com)

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
December 20, 2017  
Page Two

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

### ***Opinion on Each Major Federal Program***

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### **Report on Internal Control over Compliance**

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

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

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
December 20, 2017  
Page Three

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

The purpose of 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Tragson, Casiday & Guillory*



CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule of Findings and Questioned Costs - CONTINUED  
For the Year Ended June 30, 2017

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

There were no findings or questioned costs.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of the Uniform Guidance:

There were no findings or questioned costs.

Part IV. Prior Year Audit Findings

There were no findings in the prior year.

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



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INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

December 20, 2017

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
Cameron, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Cameron Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Cameron Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was conducted in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

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

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

There were no exceptions noted.

*145 East Street • Lake Charles, LA 70601*  
*Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847*  
*phone: 337.439.1986 • fax: 337.439.1366 • www.gcgcpa.com*

**II. Education Levels of Public School Staff (Schedule 2)**

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

There were no exceptions noted.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals, Assistant Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

There were no exceptions noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

There were no exceptions noted.

**III. Number and Type of Public Schools (Schedule 3)**

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

There were no exceptions noted.

**IV. Experience of Public Principals, Assistant Principals and Full-time Classroom Teachers (Schedule 4)**

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

There were no exceptions noted.

**V. Public Staff Data: Average Salaries (Schedule 5)**

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTO or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

There were no exceptions noted.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

There were no exceptions noted.

**VI. Class Size Characteristics (Schedule 6)**

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

There were no exceptions noted.

**VII. Louisiana Educational Assessment Program (LEAP) (Schedule 7)**

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Cameron Parish School Board.

There were no exceptions noted.

**VIII. The Graduation Exit Exam (GEE) (Schedule 8)**

11. The Graduate Examination (GEE) is no longer administered. This schedule is no longer applicable.

**IX. The iLEAP Tests (Schedule 9)**

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Cameron Parish School Board.

There were no exceptions noted.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion, on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of Cameron Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)  
For the Year Ended June 30, 2017

**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 - Education Levels of Public School Staff**

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 3 - Number and Type of Public Schools**

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 4 - Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers**

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 5 - Public School Staff Data: Average Salaries**

This schedule includes average classroom teachers' salary using full-time equivalents, including and excluding ROTO and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

CONTINUED

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedules Required by State Law (R S 24 514 - Performance and Statistical Data)-

CONTINUED

For the Year Ended June 30, 2017

**Schedule 6 - Class Size Characteristics**

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

**Schedule 7 - Louisiana Educational Assessment Program (LEAP)**

This schedule represents student performance testing data and includes summary scores by district for grades 3, 4, 5, 6, 7 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**Schedule 8 - Graduation Exit Examination (GEE)**

The Graduation Exit Exam (GEE) is no longer administered. This schedule is no longer applicable.

**Schedule 9 -iLEAP Tests**

This schedule represents student performance testing data and includes a summary score for grades 3, 4, 5, 6, 7 and 8 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 1  
General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2017

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures	
Teacher and Student Interaction Activities	
Classroom Teacher Salaries	\$ 6,308,044
Other Instructional Staff Activities	575,735
Instructional Staff Employee Benefits	3,465,955
Purchased Professional and Technical Services	289,746
Instructional Materials and Supplies	263,059
Instructional Equipment	-----
Total Teacher and Student Interaction Activities	\$ 11,002,539
Other Instructional Activities	446,344
Pupil Support Services	1,139,102
Less: Equipment for Pupil Support Services	-----
Net Pupil Support Services	1,139,102
Instructional Staff Services	892,789
Less: Equipment for Instructional Staff Services	-----
Net Instructional Staff Services	892,789
School Administration	1,577,864
Less: Equipment for School Administration	-----
Net School Administration	1,577,864
Total General Fund Instructional Expenditures	<u>\$ 15,058,638</u>
Total General Fund Equipment Expenditures (Object 730, Function Series 1000-4000)	<u>\$ -----</u>

**Certain Local Revenue Sources**

Local Taxation Revenue	
Constitutional Ad Valorem Taxes	\$ 1,112,499
Renewable Ad Valorem Tax	6,959,339
Debt Service Ad Valorem Tax	1
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	336,667
Sales and Use Taxes	-----
Total Local Taxation Revenue	<u>\$ 8,408,506</u>

CONTINUED

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 1 -- CONTINUED  
General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2017

Local Earnings on Investment in Real Property	
Earnings from 16th Section Property	\$ 670,985
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	<u>\$ 670,985</u>
State Revenue in Lieu of Taxes	
Revenue Sharing - Constitutional Tax	\$ 9,931
Revenue Sharing - Other Taxes	12,332
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 22,263</u>
Nonpublic Textbook Revenue	<u>\$ -</u>
Nonpublic Transportation Revenue	<u>\$ -</u>

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 2  
Education Levels of Public School Staff  
As of October 1, 2016

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	-	-	-	-	-	-	-
Bachelor's Degree	117	76%	1	100%	-	-	-	-
Master's Degree	33	22%	-	-	7	70%	-	-
Master's degree + 30	3	2%	-	-	2	20%	-	-
Specialist in Education	-	-	-	-	-	-	-	-
Ph. D. or Ed. D.	-	-	-	-	1	10%	-	-
<b>Total</b>	<b>153</b>	<b>100%</b>	<b>1</b>	<b>100%</b>	<b>10</b>	<b>100</b>	<b>-</b>	<b>-</b>

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 3  
Number and Type of Public Schools  
For the Year Ended June 30, 2017

Type	Number
Elementary	-
Middle/Jr. High	-
Secondary	-
Combination	4
<b>Total</b>	<b>4</b>

Note: Schools opened or closed during the fiscal year are included in this schedule.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 4  
Experience of Public Principals, Assistant Principals and Pull-time Classroom Teachers  
As of October 1, 2016

	0-1 Yrs.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs	15-19 Yrs	20-24 Yrs	25+ Yrs	Total
Assistant principals	-	1	-	1	-	1	3	6
Principals	-	-	1	-	-	1	2	4
Classroom teachers	15	9	39	22	16	20	33	154
Total	15	10	40	23	16	22	38	164

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 5  
Public School Staff Data, Average Salaries  
For the Year Ended June 30, 2017

	All Classroom Teachers	Classroom Teachers Excluding ROTC Rehired Retirees, and Flagged Salary Reductions
Average classroom teachers' salary including extra compensation	\$47,444.87	\$47,444.87
Average classroom teachers' salary excluding extra compensation	\$46,581.96	\$46,581.96
Number of teacher full-time equivalents (PTEs) used in computation of average salaries	135	135

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers, some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees and any teacher on sabbatical leave during any part of the school year.

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 6  
Class Size Characteristics  
As of October 1, 2016

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	-	-	-	-	-	-	-	-
Elementary activity classes	-	-	-	-	-	-	-	-
Middle/Junior high	-	-	-	-	-	-	-	-
Middle/Junior high activity classes	-	-	-	-	-	-	-	-
High	-	-	-	-	-	-	-	-
High activity classes	-	-	-	-	-	-	-	-
Combination	90%	730	10%	78	-	3	-	-
Combination activity classes	89%	115	10%	13	1%	1	-	-

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

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 7  
Louisiana Educational Assessment Program (LEAP)  
For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	10	4	5	10	9	6
Mastery	54	45	51	50	43	35
Basic	21	31	15	26	32	34
Approaching basic	12	12	24	11	12	19
Unsatisfactory	3	8	5	3	4	6
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	9	6	7	6	2	1
Mastery	42	45	39	39	35	36
Basic	35	27	38	31	38	30
Approaching basic	9	19	13	20	22	22
Unsatisfactory	5	3	3	4	3	11
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	2	-	5	4	-
Mastery	51	52	33	46	41	11
Basic	34	25	29	34	22	31
Approaching basic	11	14	32	9	27	40
Unsatisfactory	2	7	6	6	6	18
Total	100	100	100	100	100	100

CONTINUED

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 7- CONTINUED  
Louisiana Educational Assessment Program (LEAP)  
For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	5	2	1	1	-
Mastery	34	41	34	27	21	17
Basic	38	30	44	38	31	40
Approaching basic	19	21	15	26	40	32
Unsatisfactory	7	3	5	8	7	11
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	12	12	1	1	-	-
Mastery	40	37	31	18	16	19
Basic	17	28	35	38	41	33
Approaching basic	17	19	21	33	37	36
Unsatisfactory	14	4	12	10	6	12
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	8	5	4	1	1	-
Mastery	41	56	33	8	9	20
Basic	24	27	36	41	31	33
Approaching basic	20	9	21	34	33	28
Unsatisfactory	8	3	6	16	26	19
Total	100	100	100	100	100	100

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 9  
The iLEAP Tests  
For the Year Ended June 30, 2017

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	3	7	5	5	N/A	2
Mastery	24	23	30	32	N/A	27
Basic	53	50	45	25	N/A	56
Approaching basic	16	16	14	26	N/A	13
Unsatisfactory	5	4	6	12	N/A	2
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	4	3	4	3	N/A	-
Mastery	15	22	13	15	N/A	9
Basic	53	57	63	33	N/A	46
Approaching basic	20	14	14	31	N/A	27
Unsatisfactory	8	4	6	18	N/A	18
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	7	5	2	3	N/A	3
Mastery	30	21	15	20	N/A	9
Basic	40	43	45	33	N/A	60
Approaching basic	18	19	26	28	N/A	20
Unsatisfactory	5	12	12	16	N/A	8
Total	100	100	100	100	N/A	100

CONTINUED

CAMERON PARISH SCHOOL BOARD  
Cameron, Louisiana

Schedule 9 - CONTINUED  
The iLEAP Tests  
For the Year Ended June 30, 2017

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	7	5	2	1	N/A	4
Mastery	25	20	18	14	N/A	17
Basic	48	48	57	37	N/A	49
Approaching basic	15	18	20	34	N/A	24
Unsatisfactory	5	9	3	14	N/A	6
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	10	4	1	4	N/A	2
Mastery	30	39	24	26	N/A	14
Basic	34	34	44	30	N/A	44
Approaching basic	16	20	22	12	N/A	26
Unsatisfactory	10	4	9	28	N/A	14
Total	100	100	100	100	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	2	2	11	N/A	-
Mastery	21	17	14	34	N/A	9
Basic	56	42	50	32	N/A	46
Approaching basic	18	28	23	11	N/A	27
Unsatisfactory	3	11	11	12	N/A	18
Total	100	100	100	100	N/A	100

**CAMERON PARISH SCHOOL BOARD**

**Cameron, Louisiana**

**Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures**

**Year Ended June 30, 2017**



**Gragson, Casiday & Guillory, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

RAYMOND GUILLORY, JR., C.P.A.  
COY T. VINCENT, C.P.A.  
MICHELLE LEE, C.P.A.  
BRADLEY J. CASIDAY, C.P.A., C.V.A.

GRAHAM A. PORTUS, E.A.

KATHRYN BLESSINGTON, C.P.A.  
JACKLYN BARLOW, C.P.A.  
BRIAN MCCAIN, C.P.A.  
BLAKE MANUEL, C.P.A.

INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

December 20, 2017

Mr. Charles Adkins, Superintendent,  
and Members of the Cameron Parish School Board  
Cameron, Louisiana

We have performed the procedures included enumerated below, which were agreed to by the Cameron Parish School Board and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUP's) for the fiscal year July 1, 2016 through June 30, 2017. The District's management is responsible for those C/C areas identified in the SAUP's.

This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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1. Obtain the District'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 District does not have any written policies and procedures), as applicable:

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

***The District has a complete written policies and procedures manual.***

*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.

***The District has a complete written policies and procedures manual.***

- b) *Disbursements*, including processing, reviewing, and approving.

***The District has a complete written policies and procedures manual.***

- c) *Receipts*, including receiving, recording, and preparing deposits.

***The District has a complete written policies and procedures manual.***

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

***The District has a complete written policies and procedures manual.***

- e) *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 District has a complete written policies and procedures manual.*

- f) *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, and (5) monitoring card usage.

*The District has a complete written policies and procedures manual.*

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

*The District has a complete written policies and procedures manual.*

- h) *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 District's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

*The District has a complete written policies and procedures manual.*

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

*The District has a complete written policies and procedures manual.*

Council (or Finance Committee, if applicable)

- 2. Obtain and review the board minutes for the fiscal year, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

*The minutes reflected that the managing board met monthly in accordance with enabling legislation.*

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the District's prior audit (GAAP-basis).

➤ If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal year reflect that the board is monitoring the plan.

*Monthly income statements with budgetary comparisons and variances were not provided to the board. In addition, there was not a fund balance deficit.*

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal year.

*Minutes, where applicable, contained approval of non-budgetary financial information.*

#### Bank Reconciliations

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- 3. Obtain a listing of District bank accounts from management and management's representation that the listing is complete.

*The listing was provided by management.*

- 4. Using the listing provided by management, select all of the District's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal year and report whether:

- a) Bank reconciliations have been prepared;

*For each bank account selected, the accounts were reconciled.*

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

*There is documentation that a member of management has reviewed each bank reconciliation but there is no documentation that a board member has reviewed each bank reconciliation.*

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

*There is no documented evidence that a member of management researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.*

#### Collections

---

- 5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

*The listing was provided by management.*

- 6. Using the listing provided by management, select all of the District's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

*All employees are covered by a \$100,000 theft policy. Duties for cash collections, recording the related transactions, making deposits, and reconciling bank accounts are adequately segregated amount accounting personnel. It does not appear that the School Board uses separate cash registers or drawers for each employee.*

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the District has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

*Duties for cash collections, recording the related transactions, making deposits, and reconciling bank accounts are adequately segregated amount accounting personnel.*

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using District collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

*All deposits were made within one day of collections.*

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

*No evidence of exceptions was found during the testing.*

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the District has a process specifically defined (identified as such by the District) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

*The District's policies include some of the processes specifically defined to determine completeness of all collections.*

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of District disbursements from management or, alternately, obtain the general ledger and sort/filter for District disbursements. Obtain management's representation that the listing or general ledger population is complete.

*The listing was provided by management.*

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the District had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

**Randomly selected 25 disbursements and obtained supporting documentation for each transaction.**

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

*Purchase orders were properly used and approved for all items tested.*

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

*Purchase orders were properly used and approved for all items tested.*

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

*Purchase orders were properly used and approved for all items tested.*

10. Using District documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the District's purchasing/disbursement system.

*The authorized check signers do not have access to the accounting system.*

11. Using District documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

*The authorized check signers do not have access to the accounting system.*

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review District documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

*The authorized check signers do not have access to blank check stock.*

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

*Signature machines are only used with the knowledge and consent of the signer.*

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

*The listing was provided by management.*

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the District has less than 10 cards) that were used during the fiscal year, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation 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.]

*On the months tested, supporting documentation was reviewed and approved in writing.*

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

*No finance charges and/or late fees were assessed on the months tested.*

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
- An original itemized receipt (i.e., identifies precisely what was purchased).

*Each transaction was supported by an original itemized receipt.*

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

*Documentation of business/public purpose was provided.*

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

*All documentation appeared to be in order.*

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the District's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

*No exceptions were noted.*

- c) For each transaction, compare the Town's documentation of the business public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*No exceptions were noted.*

#### Travel and Expense Reimbursement

- 17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal year or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete

*The listing was provided by management.*

- 18. Obtain the District's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

*District has a written policy for travel. Per diem and mileage rates did not exceed the GSA Rates.*

- 19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the District does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

*For the expense reimbursements tested, those did not exceed the GSA Rates.*

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

*Itemized receipts were provided for all expenses tested that identified what was purchased.*

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

*Each expense was supported by documentation of business purpose.*

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

*Each expense was supported by proper authorization for travel.*

- c) Compare the District's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*The District's documentation of business/public purpose for tested expenses appeared to comply with the requirements of Article 7, Section 14 of the Louisiana Constitution.*

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*Each expense tested was supported by documentation and approval.*

### **Contracts**

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- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

*The listing was provided by management.*

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

*The four of the five highest paid vendors have formal/written contracts. Invoices were present for each payment. One vendor was for sole source utilities and did require a contract.*

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the District complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

*All contracts selected were bid properly.*

- If no, obtain supporting contract documentation and report whether the District solicited quotes as a best practice.

*No quotes were necessary.*

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

*None of the contracts were amended.*

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

*All payments selected appeared to comply with the terms of the contracts.*

- e) Obtain/review contract documentation and council minutes and report whether there is documentation of council approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

*Documentation provided reflected approval by the Board.*

#### Payroll and Personnel

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

*The listing was provided by management.*

- a) Review compensation paid to each employee during the fiscal year and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

*All selected employees were paid in strict accordance with the approved pay rate structure.*

- b) Review changes made to hourly pay rates/salaries during the fiscal year and report whether those changes were approved in writing and in accordance with written policy.

*There were no changes to pay rate/salaries during the period.*

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the District had less than 25 employees during the fiscal period), and:

- a) Report whether 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.)

*All employees tested had documentation of leave. All employees tested who were required to document daily attendance had their daily attendance properly documented.*

Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

*There was written documentation that supervisors approved attendance and leave.*

- b) Report whether there is written documentation that the District maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

*The District maintained written leave records reflecting the hours earned, the hours used, and the balance available.*

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

*The listing was provided by management. For the two employees tested, the termination payments were made in strict accordance with policy.*

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

*Documentation reflected that payroll tax return/reports were timely filed and all payroll taxes and retirement contributions were timely paid and submitted for the fiscal year.*

### *Ethics*

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26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the District maintained documentation to demonstrate that required ethics training was completed.

*All employees selected for testing maintained the documentation of completion of the required one-hour ethics training on the Code of Governmental Ethics as required by Louisiana Revised Statute 42:1170 (3)(a)(i).*

27. Inquire of management whether any alleged ethics violations were reported to the Town during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the Town's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

*Management was not notified of any alleged or actual ethics violations during the fiscal year.*

#### ***Debt Service***

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28. If debt was issued during the fiscal year, obtain supporting documentation from the District, and report whether State Bond Commission approval was obtained.

*All new debt we approved by the State Bond Commission.*

29. If the District had outstanding debt during the fiscal period, obtain supporting documentation from the District and report whether the District made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

*All required debt payments were made timely.*

30. If the District had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

*No millage collections for debt exceeded debt service payments by more than 10%. No tax millages related to debt service were being collected after the debt was paid off*

#### ***Other***

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31. Inquire of management whether the District had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the District reported the misappropriation to the legislative auditor and the district attorney of the parish in which the District is domiciled.

*Management informed us that the District did not have any misappropriation of public funds or assets during the fiscal year.*

32. Observe and report whether the District has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*The District had the required notice posted in a conspicuous place upon its premises or its website.*

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

*The practitioner did not observe or otherwise identify any exceptions regarding management's representations in the procedures above.*

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUP's. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUP's, 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.

*Dragsen, Casiday & Guillory*