

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2019

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Annual Financial Report
For the Year Ended June 30, 2019

CONTENTS (Continued)

	Statement	Page
Independent Auditor's Report		1
Required Supplementary Information		
Management's Discussion and Analysis		5
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	12
Statement of Activities	B	13
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	15
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position	D	17
Statement of Revenues, Expenditures, and		
Changes in Fund Balances	E	18
Reconciliation of the Governmental Funds Statement		
of Revenues, Expenditures, and Changes in Fund		
Balances to the Statement of Activities	F	22
Statement of Fiduciary Net Position	G	23
Notes to the Financial Statements		
Index		24
Notes		25
	Schedule	Page
Required Supplementary Information		
Budgetary Comparison Schedule - General Fund	1	63
Schedule of Employer's Share of Net Pension Liability	2	65
Schedule of Employer's Pension Contributions	3	67
Notes to Required Supplementary Information Related to Net Pension		
Liability		68
Schedule of Changes in Total OPEB Liability and Related Ratios	4	69

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Annual Financial Report
For the Year Ended June 30, 2019

CONTENTS (Concluded)

	Schedule	Page
Supplemental Information Schedules:		
Other Nonmajor Governmental Funds:		
Combining Balance Sheet	5	70
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	6	73
Schedule of Compensation, Benefits and Other Payment to Chief Executive Officer	7	81
Schedule of Compensation Paid Board Members	8	82



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

INDEPENDENT AUDITORS' REPORT

To the Members of the
St. Helena Parish School Board
Greensburg, 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 **St. Helena Parish School Board (the School Board)** as of and for the year ended June 30, 2019 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.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana
Page 2

Auditors' Responsibility, continued

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of **the School Board**, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 11, budgetary comparison information on pages 63 and 64, the required pension information on pages 65 to 68 and the required OPEB information on page 69 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

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana
Page 3

Other Matters, continued

Required Supplementary Information, continued

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.

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 combining nonmajor fund financial statements, the schedule of compensation, benefits and other payments to chief executive officer and the schedule of compensation paid to board members are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, the schedule of compensation, benefits and other payment to chief executive officer and the schedule of compensation paid to board members are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, the schedule of compensation, benefits and other payment to chief executive officer and the schedule of compensation paid to board members are fairly stated in all material respects in relation to the basic financial statements as a whole.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana
Page 4

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2019, 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.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 30, 2019

REQUIRED SUPPLEMENTARY INFORMATION

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

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

As management of the St. Helena Parish School Board (School Board) we offer readers of the School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2019. The emphasis of discussions about these statements will be on current year data.

Financial Highlights

- Statement of Net Position – Liabilities and deferred inflows of resources of the St. Helena Parish School Board exceeded its assets and deferred outflows of resources at June 30, 2019 by \$10,407,509 (net position).
- Statement of Activities - The total change in net position of the St. Helena Parish School Board decreased by \$288,193 during the year ended June 30, 2019.
- Governmental Funds Balance Sheet – At June 30, 2019, the St. Helena Parish School Board's governmental funds reported a combined fund balance of the \$8,294,360, a increase of \$106,439 over the prior year.
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – Total revenues increased by \$878,153 for the year ended June 30, 2019. The increase was mainly due to increase Minimum Foundation Program and various sources of federal revenues in the amounts of \$131,027 and \$661,841, respectively.
- Long-Term Debt – Additions to long-term debt for the year ended June 30, 2019 amounted to \$3,137,521, mainly due to the issuance of the \$2,966,000 Sales Tax Bonds, Series 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School Board's basic financial statements. The School Board's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 12 - 14 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board are categorized as governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School Board maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund, which are considered to be major funds. Data from the other governmental funds, mainly numerous funds within the special revenue fund and the debt service fund are combined into a single, aggregated presentation.

The School Board adopts an annual budget for its general fund and special revenue funds. Budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 15 - 22 of this report.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because those resources for those funds are not available to support the School Board's own programs. The School Board employs two separate agency funds, one fund accounts for transactions of the student activity accounts maintained at the schools, and another for account for voluntary and mandatory payroll withholdings.

The basic fiduciary fund financial statements can be found on page 23 of this report.

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 62 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the School Board's budgetary comparison schedules for its major governmental funds. The required supplementary information can be found on pages 63 - 69 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School Board, liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$10,407,509 at the close of the 2019 fiscal year.

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

The following is a summary of the School Board's net position:

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 5,028,855	\$ 8,118,750
Investments	3,031,427	-
Receivables	1,643,799	992,595
Due from external parties (Fiduciary Fund)	74,128	86,909
Inventory	15,767	23,538
Other assets	115,965	114,100
Capital assets (net of accumulated depreciation):		
Land	109,259	109,259
Construction in progress	2,753,866	18,875
Buildings and equipment, net of accumulated depreciation	10,747,230	11,019,267
Deferred outflows of resources	<u>3,514,943</u>	<u>2,523,679</u>
TOTAL ASSETS	<u>27,035,239</u>	<u>23,006,972</u>
LIABILITIES		
Accounts, salaries, and other payables	1,615,581	1,147,971
Long-term liabilities:		
Due within one year	373,944	331,119
Due in more than one year	34,280,702	31,578,311
Deferred inflows of resources	<u>1,172,521</u>	<u>97,836</u>
TOTAL LIABILITIES	<u>37,442,748</u>	<u>33,155,237</u>
NET POSITION		
Invested in capital assets, net of related debt	13,610,355	11,147,401
Restricted for:		
Special programs	828,555	760,288
Capital projects	1,683,362	1,423,125
Debt service	120,400	105,087
Unrestricted	<u>(26,650,181)</u>	<u>(23,555,217)</u>
TOTAL NET POSITION	<u>\$ (10,407,509)</u>	<u>\$ (10,119,316)</u>

By far the largest portion of the School Board's net position reflects its investment in capital assets (e.g., land, buildings, furniture, and equipment); less any related debt used to acquire those assets that are still outstanding. The School Board uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

An additional portion of the School Board's net position represents resources that are subject to external restrictions on how they may be used.

The following is a summary of the School Board's changes in net position:

ST. HELENA PARISH SCHOOL BOARD
Changes in Net Position

	<u>2019</u>	<u>2018</u>
REVENUES:		
Charges for services	\$ 14,254	\$ 16,723
Operating grants and contributions	3,053,987	2,483,605
General revenues:		
Ad Valorem taxes	2,097,875	2,186,747
Sales and use taxes	1,543,228	1,406,707
Minimum Foundation Program	8,827,017	8,695,990
Others	<u>1,525,369</u>	<u>180,176</u>
Total revenues	<u>17,061,730</u>	<u>14,969,948</u>
EXPENSES:		
Instruction:		
Regular programs	\$ 3,466,768	\$ 2,907,034
Special programs	1,054,908	815,628
Vocational programs	296,590	276,251
Other instructional programs	940,469	543,049
Special programs	663,596	421,092
Support services:		
Student services	653,291	810,928
Instructional staff support	1,048,462	786,684
General administration	677,457	574,428
School administration	895,280	452,411
Business services	390,719	313,229
Plant services	1,145,184	1,083,090
Student transportation services	1,236,968	1,024,796
Central services	265,686	237,631
Food services	1,271,431	1,282,715
Community service programs	8,800	8,800
Facility acquisition and construction	2,708,123	(131,481)
Debt service:		
Interest on long-term debt	327,286	263,928
Depreciation - unallocated	298,905	398,629
Total expenses	<u>17,349,923</u>	<u>12,068,842</u>
CHANGE IN NET POSITION	<u>\$ (288,193)</u>	<u>\$ 2,901,106</u>

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Capital Asset and Debt Administration

Capital assets. The School Board's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$13,610,355 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, equipment, vehicles, furniture and fixtures, and infrastructure. The total increase in the School Board's investment in capital assets for the current fiscal year was \$2,462,954, mainly due to increase in construction in progress.

ST. HELENA PARISH SCHOOL BOARD'S
Capital Assets (Net of depreciation)

Land	\$ 109,259
Construction in Progress	2,753,866
Buildings and improvements	8,266,215
Furniture and equipment	286,481
Infrastructure	<u>2,194,534</u>
 Total	 <u><u>\$ 13,610,355</u></u>

Additional information on the School Board's capital assets can be found in note 6 on page 35 of this report.

Long-term liabilities/debt. At the end of the current fiscal year, the School Board had total bonded debt outstanding of \$12,351,065, all of which is backed by the full faith and credit of the St. Helena Parish School Board. The total increase of \$3,137,521 was mainly due to the issuance of the \$2,966,000 Sales Tax Bonds, Series 2018.

Type of Debt	June 30, 2019
Compensated absences	\$ 177,290
\$3,540,000 General Obligation Bonds, Series 2013	2,650,000
\$4,460,000 General Obligation Bonds, Series 2013A	4,000,000
\$2,880,000 Sales Tax Bonds Series 2016	2,766,758
\$2,966,000 Sales Tax Bonds Series 2018	2,934,307
Net Postemployment Benefit Obligation	9,419,864
Net pension liabilities	<u>12,706,427</u>
	 <u><u>\$ 34,654,646</u></u>

ST. HELENA PARISH SCHOOL BOARD
Greenburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Economic Factors and Next Year's Budget

Our elected appointed officials and citizens consider many factors when setting the School Board's 2019-2020 fiscal year budget and tax rates. The School Board's budgets are used to gain a better overview of the financial operations of the Board and to assist management in making decisions for daily and future operations.

The following are economic factors and indicators affecting the budget for fiscal year 2019-2020:

1. Sales tax projections are expected to show minimal growth. St. Helena is a small parish with a limited tax base.
2. The retirement system contributions will change July 1, 2019. The Teacher's Retirement System of Louisiana decreased the employer contribution rate from 26.7% to 26%. The Louisiana School Employee's Retirement System increased the employer rate from 28% to 29.4%.
3. The capital projects fund budget will decrease in the 2019-2020 fiscal year as the band complex will be completed at St. Helena College & Career Academy in July and the USDA funded construction and renovation at St. Helena Arts and Technology will be completed in October 2019.
4. Employees were given a pay increase in 2019-2020 budget in addition to the state raises given by the state legislature. This additional increase cost the district an additional \$150,000.
5. Projected Ad Valorem taxes are not expected to increase. Several tax paying business have left the parish and the future of the land is yet to be determined.
6. The district's student enrollment is expected to increase slightly due to a virtual school initiative with Proximity Learning that will allow students to access instruction with five qualified teachers.

Request for Information

This financial report is designed to provide a general overview of the St. Helena Parish School Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mrs. Amy Pedelahore, Chief Financial Officer, St. Helena Parish School Board, Post Office Box 540, Greensburg, Louisiana 70441.

BASIC FINANCIAL STATEMENTS:

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

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Statement of Net Position
June 30, 2019

ASSETS	
Cash and cash equivalents	\$ 5,028,855
Investments	3,031,427
Receivables	1,643,799
Due from external parties (Fiduciary Fund)	74,128
Inventory	15,767
Other assets	115,965
Capital assets:	
Land	109,259
Construction in progress	2,753,866
Buildings, equipment and infrastructure, net of accumulated depreciation	10,747,230
TOTAL ASSETS	<u>23,520,296</u>
Deferred Outflows of Resources - Pension Plans	3,514,943
	<u>27,035,239</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
LIABILITIES	
Current liabilities:	
Accounts, salaries, and other payables	1,615,581
Compensated absences	24,821
Bonds payable, due within one year	349,123
Noncurrent liabilities:	
Compensated absences	152,469
Bonds payable, due more than one year	12,001,942
Other Postemployment Benefit Obligation	9,419,864
Net pension liability	12,706,427
TOTAL LIABILITIES	<u>36,270,227</u>
Deferred Inflows of Resources - Pension Plans	1,172,521
	<u>37,442,748</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
NET POSITION	
Invested in capital assets, net of related debt	13,610,355
Restricted for:	
Special programs	828,555
Capital projects	1,683,362
Debt service	120,400
Unrestricted (deficit)	<u>(26,650,181)</u>
TOTAL NET POSITION	<u><u>\$ (10,407,509)</u></u>

The notes to the financial statements are an integral part of this statement.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Statement of Activities
For the Year Ended June 30, 2019

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
FUNCTIONS/PROGRAMS				
Governmental activities:				
Instruction:				
Regular programs	\$ 3,466,768	\$ -	\$ 39,613	\$ (3,427,155)
Special education programs	1,054,908	-	228,809	(826,099)
Vocational programs	296,590	-	11,538	(285,052)
Other instructional programs	940,469	-	397,145	(543,324)
Special programs	663,596	-	512,236	(151,360)
Support services:				
Pupil support services	653,291	-	74,009	(579,282)
Instructional staff support	1,048,462	-	666,685	(381,777)
General administration	677,457	-	1,580	(675,877)
School administration	895,280	-	-	(895,280)
Business services	390,719	-	-	(390,719)
Plant services	1,145,184	-	-	(1,145,184)
Student transportation services	1,236,968	-	7,063	(1,229,905)
Central services	265,686	-	112,266	(153,420)
Food services	1,271,431	14,254	1,003,043	(254,134)
Community services operations	8,800	-	-	(8,800)
Facility acquisition and construction	2,708,123	-	-	(2,708,123)
Debt service:				
Interest on long-term debt	327,286	-	-	(327,286)
Depreciation - unallocated	298,905	-	-	(298,905)
Total Governmental Activities	<u>\$ 17,349,923</u>	<u>\$ 14,254</u>	<u>\$ 3,053,987</u>	<u>(14,281,682)</u>

(Continued)

The notes to the financial statements are an integral part of this statement.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Statement of Activities
For the Year Ended June 30, 2019

General Revenues:	
Taxes:	
Property taxes	\$ 2,097,875
Sales and use taxes	1,543,228
State revenue sharing	31,377
Grants and contributions not restricted to specific purposes:	
Minimum Foundation Program	8,827,017
Interest and investment earnings	35,102
Miscellaneous revenue	261,038
Bond proceeds not drawn, but recorded	1,304,600
Transfer to Louisiana Department of Education	<u>(106,748)</u>
Total general revenues	<u>13,993,489</u>
Change in Net Position	(288,193)
Net Position - July 1, 2018	<u>(10,119,316)</u>
Net Position - June 30, 2019	<u><u>\$ (10,407,509)</u></u>

(Concluded)

The notes to the financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2019

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 2,989,726	\$ 1,792,914	\$ 246,215
Investments	3,031,427	-	-
Receivables	121,148	380,481	1,142,170
Interfund receivable	149,416	-	507
Inventory	-	-	15,767
Other assets	115,965	-	-
TOTAL ASSETS	<u>\$ 6,407,682</u>	<u>\$ 2,173,395</u>	<u>\$ 1,404,659</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries, and other payables	\$ 745,639	\$ 490,033	\$ 379,909
Interfund payables	-	-	75,795
TOTAL LIABILITIES	<u>745,639</u>	<u>490,033</u>	<u>455,704</u>
Fund balances:			
Nonspendable:			
Inventory	-	-	15,767
Restricted:			
Classroom activities	-	-	121,756
Construction and renovations of capital assets	-	1,683,362	-
Operation and maintenance of plant	-	-	16,696
Salaries	-	-	236,463
School lunch	-	-	437,873
Debt service	-	-	120,400
Unassigned	5,662,043	-	-
TOTAL FUND BALANCES	<u>5,662,043</u>	<u>1,683,362</u>	<u>948,955</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,407,682</u>	<u>\$ 2,173,395</u>	<u>\$ 1,404,659</u>

The notes to the financial statements are an integral part of this statement.

Statement C

<u>Total</u>
\$ 5,028,855
3,031,427
1,643,799
149,923
15,767
<u>115,965</u>
<u>\$ 9,985,736</u>

\$ 1,615,581
<u>75,795</u>
<u>1,691,376</u>

15,767
121,756
1,683,362
16,696
236,463
437,873
120,400
<u>5,662,043</u>
<u>8,294,360</u>
<u>\$ 9,985,736</u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total Fund Balances at June 30, 2019 - Governmental Funds		\$ 8,294,360
Cost of capital assets at June 30, 2019	\$ 17,988,711	
Less: Accumulated Depreciation as of June 30, 2019:		
Buildings	(3,514,405)	
Movable property	(405,003)	
Infrastructure	<u>(458,948)</u>	13,610,355
Deferred outflows of resources related to net pension liability are not available resources and, therefore, are not reported in the funds		3,514,943
Long-term liabilities at June 30, 2019:		
Compensated absences payable	(177,290)	
General Obligation School Bonds, Series 2013 payable	(2,650,000)	
General Obligation School Bonds, Series 2013A payable	(4,000,000)	
Sales Tax Bonds, Series 2016	(2,766,758)	
Sales Tax Bonds, Series 2018	(2,934,307)	
Net Postemployment Benefit Obligation	(9,419,864)	
Net Pension Liability	<u>(12,706,427)</u>	(34,654,646)
Deferred inflows of resources related to net pension liability are not payable from current expendable resources and, therefore, are not reported in the funds		<u>(1,172,521)</u>
Net Position at June 30, 2019 - Governmental Activities		<u>\$ (10,407,509)</u>

The notes to the financial statements are an integral part of this statement.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 227,597	\$ 1,116,023	\$ 754,255
Sales and use	-	385,812	1,157,416
Interest and investment earnings	34,529	573	-
Charges for services	-	-	14,254
Other	134,064	-	28,937
State sources:			
Minimum Foundation Program	8,811,557	-	15,460
Revenue sharing	31,377	-	-
Other	5,897	1,191	178,247
Federal grants	-	-	3,061,527
	<u>9,245,021</u>	<u>1,503,599</u>	<u>5,210,096</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	2,855,940	-	609,338
Special education programs	656,478	-	397,978
Vocational programs	244,175	-	52,415
Other instructional programs	444,958	-	495,511
Special programs	56,249	-	607,063
Support services:			
Pupil support services	519,257	-	133,753
Instructional staff support	233,375	-	814,637
General administration	460,046	108,101	109,019
School administration	781,566	-	113,330
Business services	301,201	40,431	48,919
Plant services	394,465	625,900	124,328
Student transportation services	1,077,288	-	159,149

(Continued)

The notes to the financial statements are an integral part of this statement.

Statement E

Total

\$ 2,097,875
1,543,228
35,102
14,254
163,001

8,827,017
31,377
185,335
3,061,527

15,958,716

3,465,278
1,054,456
296,590
940,469
663,312

653,010
1,048,012
677,166
894,896
390,551
1,144,693
1,236,437

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	General Fund	Capital Projects Fund	Non-Major Governmental Funds
Central services	\$ 140,606	\$ -	\$ 125,080
School food services	11,505	-	1,259,926
Community services	8,800	-	-
Capital outlay	-	2,734,991	-
Debt service:			
Principal retirement	-	-	333,866
Interest	-	-	327,286
Total expenditures	<u>8,185,909</u>	<u>3,509,423</u>	<u>5,711,598</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>1,059,112</u>	<u>(2,005,824)</u>	<u>(501,502)</u>
OTHER FINANCING SOURCES (Uses):			
Transfer to Louisiana Department of Education	(106,748)	-	-
Bond Proceeds	-	1,661,401	-
Operating transfers in	167,614	1,281,126	752,696
Operating transfers out	(1,357,356)	(676,466)	(167,614)
Total other financing sources (uses)	<u>(1,296,490)</u>	<u>2,266,061</u>	<u>585,082</u>
NET CHANGES IN FUND BALANCES	(237,378)	260,237	83,580
FUND BALANCES - JULY 1, 2018	<u>5,899,421</u>	<u>1,423,125</u>	<u>865,375</u>
FUND BALANCES - JUNE 30, 2019	<u>\$ 5,662,043</u>	<u>\$ 1,683,362</u>	<u>\$ 948,955</u>

(Concluded)

The notes to the financial statements are an integral part of this statement.

Statement E

<u>Total</u>
\$ 265,686
1,271,431
8,800
2,734,991
333,866
<u>327,286</u>
<u>17,406,930</u>
<u>(1,448,214)</u>
(106,748)
1,661,401
2,201,436
<u>(2,201,436)</u>
<u>1,554,653</u>
106,439
<u>8,187,921</u>
<u><u>\$ 8,294,360</u></u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2019

Net change in fund balances - governmental funds (Statement E) **\$ 106,439**

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the current period:

Capital outlays	\$ 2,761,859	
Depreciation expense	(298,905)	
Excess of depreciation expense over capital outlay		2,462,954

Bond proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of position. In the current period, proceeds were received from:

Sales Tax Bonds, Series 2018 dated September 17, 2018	(2,966,000)
---	-------------

Certificates of indebtedness proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the long-term liabilities in the statement of position.

Repayment:		
General Obligation Schools Bonds, Series 2013	180,000	
General Obligation Schools Bonds, Series 2013A	80,000	
Sales Tax Bonds, Series 2016	42,173	
Sales Tax Bonds, Series 2018	31,693	
		333,866

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in compensated absences	29,490	
Increase in net postemployment benefits obligation	(144,627)	
Increase in net pension liability	26,894	
Pension benefit (expense)	(137,209)	
Total		(225,452)

Change in net position of governmental activities (Statement B) **\$ (288,193)**

The notes to the financial statements are an integral part of this statement.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Statement of Fiduciary Net Position
June 30, 2019

Statement G

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 347,049
TOTAL ASSETS	<u>\$ 347,049</u>
LIABILITIES	
Payroll withholding payable	\$ 186,563
Interfund payable	74,128
Due to students	<u>86,358</u>
TOTAL LIABILITIES	<u>\$ 347,049</u>

The notes to the financial statements are an integral part of this statement.

ST. HELENA PARISH SCHOOL BOARD
Notes to the Financial Statements

Index

Introduction	25
Note 1 Summary of Significant Accounting Policies
A. Basis of Presentation	25
B. Reporting Entity	25
C. Funds	
Governmental Funds	26
Fiduciary Funds	26
D. Measurement Focus and Basis of Accounting	
Government-Wide Financial Statements (GWFS).....	27
Fund Financial Statements (FFS)	27
Revenues	28
Expenditures	28
Other Financing Sources (Uses)	28
Deferred Outflows of Resources and Deferred Inflows of Resources	29
Fiduciary Funds	29
E. Budgets and Budgetary Accounting	29
F. Cash, Cash Equivalents and Investments.....	29
G. Short-Term Interfund Receivables/Payables.....	30
H. Elimination and Reclassifications.....	30
I. Inventory	30
J. Capital Assets	30
K. Compensated Absences	31
L. Restricted Net Position.....	31
M. Fund Equity of Fund Financial Statements.....	31
N. Interfund Transactions	32
O. Sales and Use Taxes	32
P. Estimates	32
Note 2 Levied Taxes	33
Note 3 Cash, Cash Equivalents and Investments	33
Note 4 Receivables	35
Note 5 Interfund Receivable, Payables and Transfers	35
Note 6 Capital Assets	37
Note 7 Retirement Systems	37
Teachers' Retirement System of Louisiana (TRSL)	37
Louisiana School Employee's Retirement System	45
Louisiana State Employees' Retirement System	51
Note 8 Other Postemployment Benefits	58
Note 9 Leases	59
Note 10 Long-Term Obligations	60
Note 11 Changes in Agency Fund Deposits Held For Schools	61
Note 12 Related Party Transactions	61
Note 13 On-Behalf Payments for Fringe Benefits and Salaries	61
Note 14 Economic Dependency	62
Note 15 Subsequent Events	62

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2019

INTRODUCTION

The St. Helena Parish School Board was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within St. Helena Parish. The School Board is authorized by R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of six (6) members who are elected from six (6) districts for terms of four years.

The School Board operates three (3) schools within the parish with a total enrollment of 1,192 pupils as of the October 1, 2018. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

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

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

C. FUNDS

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

Funds of the School Board are classified into two categories: governmental and fiduciary, as follows:

Governmental Funds

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

General Fund - the primary operating fund of the School Board and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to school board policy.

Special revenue funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, or designated by the School Board to be accounted for separately.

Debt service funds - account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital projects funds - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

The School Board reports the General and Capital Projects Funds as major governmental funds.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The only fund accounted for in this category by the School Board is the agency fund. The School Board employs two separate agency funds, one fund accounts for the transactions of the student activity accounts maintained at the school, and another to account for voluntary and mandatory payroll withholdings. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency fund has no measurement focus, but does use the modified accrual basis of accounting.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

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

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

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

Allocation of Indirect Expenses - The School Board reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

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

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

(i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Sales and use tax revenues are considered "measurable" when the underlying transaction occurs and meets the availability criteria.

Interest earnings are recorded when the investments have matured and the interest is available.

Revenues from rentals, leases, and oil royalties are recorded when earned.

Substantially all other revenues are recorded when received.

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed 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.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these instances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2019, the School Board's deferred inflows and outflows of resources are attributable to its pension benefit plans.

Fiduciary Funds

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

E. BUDGETS AND BUDGETARY ACCOUNTING

The School Board adopts an annual budget for its general fund and special revenue funds. The budgets are prepared on the modified accrual basis of accounting. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Encumbered appropriations at year end that have been approved by the School Board are generally expended during the next fiscal year's operations, assuming that the underlying liability is ultimately incurred. Budgeted amounts are as originally adopted or as amended by the School Board. Legally, the School Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

Special Revenue Funds' budgets are adopted on a modified accrual basis. Grant funds are included in Special Revenue Funds, and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are reappropriated at the beginning of the following year. Unencumbered appropriations of certain nongrant-oriented Special Revenue Funds lapse at the end of the fiscal year.

F. CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

The School Board maintains seven checking accounts, exclusive of the individual schools' bank accounts.

The School Board may also invest in bonds, debentures, and other indebtedness which are fully guaranteed by the United States, issued or guaranteed by federal agencies backed by full

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

faith and credit of the United States and issued or guaranteed by united States instrumentalities which are federally sponsored. Investments are stated at fair value. Fair value was determined using quoted market prices.

In addition, local government in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasury and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Investment income includes interest earned, realized gains and losses, and unrealized gains and losses (changes in fair value).

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

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

H. ELIMINATION AND RECLASSIFICATIONS

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

I. INVENTORY

Inventory of the Child Nutrition Program Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at cost. Costs are recorded as expenditures at the time individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA.

J. CAPITAL ASSETS

Capital assets with a cost of \$5,000 or more are capitalized at historical cost or estimated cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the useful lives. Useful lives vary from 5 to 20 years for equipment, 10 to 20 years for building and land improvements, and 25 to 50 years for buildings.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

K. COMPENSATED ABSENCES

All twelve (12) month full-time employees earn from 10 to 20 days of vacation (annual) leave per year. Upon termination, resignation, retirement, entrance into DROP, or death, any unused annual leave shall be paid at the employee's rate of pay at the time of separation.

All employees hired for the school year or longer shall be granted a minimum of ten (10) days of sick leave per year because of personal illness or other emergencies without loss of pay. Such leave, when not used, shall be allowed to accumulate to the credit of the employee without limitation. Upon retirement or death, the School Board shall pay the employee or his/her heirs or assigns, for any unused sick leave, not to exceed twenty-five (25) days. Such pay shall be at the daily rate of pay paid to the employee at the time of his/her retirement or death.

The entire compensated absence liability is reported on the government-wide financial statements.

L. RESTRICTED NET POSITION

For government-wide statement of net position, net position is reported as restricted when constraints placed on net asset use are either:

1. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. Imposed by law through constitutional provisions or enabling legislation.

M. FUND EQUITY OF FUND FINANCIAL STATEMENTS

The School Board adopted GASB No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended June 30, 2011. GASB No. 54 requires the fund balance amounts to be reported within the following fund balance classifications:

1. **Nonspendable:** Fund balance amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
2. **Restricted:** Fund balance amounts with constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
3. **Committed:** Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

4. **Assigned:** Fund balance amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the government body itself or (b) a body (a) budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
5. **Unassigned:** Fund balance that is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The School Board typically uses restricted fund balances first, followed by committed, assigned, and unassigned funds when an expenditure is incurred for purposes for which amounts in any of these fund balance classifications could be used.

N. INTERFUND TRANSACTIONS

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

O. SALES AND USE TAXES

The School Board is authorized to collect, within St. Helena Parish, one and one-half percent sales and use taxes that are dedicated to the payment of salaries and related benefits of all school employees. Also, the School Board is authorized to collect, within St. Helena Parish, one-half percent sales and use taxes that are dedicated to pay for capital improvements of public school within the parish.

P. ESTIMATES

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

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
Constitutional Tax	3.38	3.38	Not Applicable
Special Tax - Maintenance and Construction	5.00	5.00	2021
Special Tax - Support and Maintenance of Buildings	9.48	9.48	2023

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

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits

At June 30, 2019, the School Board has cash and cash equivalents (book balances) totaling \$5,375,904 as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Demand deposits	\$ 4,260,135	\$ 347,049	\$ 4,607,184
Interest-bearing demand deposits	768,720	-	768,720
	<u>\$ 5,028,855</u>	<u>\$ 347,049</u>	<u>\$ 5,375,904</u>

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. 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.

Custodial credit risk is the risk that, in event of a failure of financial institution or counterparty, the School Board would not be able to recover its deposits, investments, or collateral securities that are in the possession of an outside party. Under state law, 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 of 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.

At June 30, 2019, the School Board has \$5,956,325 in deposits (collected bank balances). These deposits are secured from risk by \$5,507,256 of pledged security and \$500,000 of federal deposit insurance and unsecured from risk by \$5,507,256 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

Deposit balances (bank balances) at June 30, 2019, are as follows:

Bank balances	<u>\$ 5,956,325</u>
Federal deposit insurance	\$ 500,000
Pledged securities	<u>5,456,325</u>
Total	<u>\$ 5,956,325</u>

Deposits in the amount of \$5,456,325 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the School Board's name.

Investments

At June 30, 2019, the School Board has \$3,031,427 in an external investment pool, Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

LAMP is a governmental external investment pool that reports at fair value. The following facts are relevant for an investment pool:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The School board's investment is with the pool, not the securities that make up the pool; therefore, no public disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days or 762 days for U. S. Government floating/variable rate investments.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is not registered with the Securities and Exchange Commission (SEC) as an investment company. An annual audit of LAMP is conducted by an

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130 or contact the LAMP administrative office at (800) 249-5267.

4. RECEIVABLES

Accounts receivable represents amounts due from sales and use taxes and various Federal and State program and grants for reimbursement of expenditures. All amounts are expected to be collected in the subsequent period.

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual fund interfund receivable and payables as of June 30, 2019, as follows:

	Interfund Receivables	Interfund Payables
Major Governmental Funds:		
General Fund	\$ 149,416	\$ -
Subtotal - Major Governmental Funds	<u>149,416</u>	<u>-</u>
Non-Major Governmental Funds:		
Special Revenue Fund:		
Title I	-	48,512
Title II	-	3,578
Special Education - IDEA	-	10,603
Special Education - Preschool	-	909
School Food Service	507	-
Other Federal Grants	-	12,193
Subtotal - Non-Major Governmental Funds	<u>507</u>	<u>75,795</u>
Fiduciary Fund Type:		
Payroll Fund	<u>-</u>	<u>74,128</u>
	<u>\$ 149,923</u>	<u>\$ 149,923</u>

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

For the year ended June 30, 2019, interfund transfers consisted of the follows:

Fund	Transfer In	Transfer Out
General Fund	\$ 167,614	\$ 1,357,356
Special Revenue Funds:		
Title I	-	73,319
Title II	-	9,209
Special Education - IDEA	-	31,924
Special Education - Preschool	-	2,266
Other State Grants	27,460	-
Other Federal Grants	7,192	50,896
Other Local Grants	3,579	-
Millage Supplement Fund	38,000	-
Debt Service Fund	676,465	-
Subtotal - Non-Major Governmental Funds	<u>752,696</u>	<u>167,614</u>
Capital Projects Fund	<u>1,281,126</u>	<u>676,466</u>
	<u>\$ 2,201,436</u>	<u>\$ 2,201,436</u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
Notes to the Financial Statements

6. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2019, is as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Governmental activities:				
Capital assets, not being depreciated - Land	\$ 109,259	\$ -	\$ -	\$ 109,259
Capital assets, not being depreciated - Construction in progress	18,875	2,734,991	-	2,753,866
Total capital assets, not being depreciated	<u>128,134</u>	<u>2,734,991</u>	<u>-</u>	<u>2,863,125</u>
Capital assets, being depreciated:				
Buildings and improvements	11,886,759	-	106,139	11,780,620
Furniture and equipment	586,370	195,711	90,597	691,484
Infrastructure	2,625,589	27,893	-	2,653,482
Total capital assets, being depreciated	<u>15,098,718</u>	<u>223,604</u>	<u>196,736</u>	<u>15,125,586</u>
Total capital assets	15,226,852	2,958,595	196,736	17,988,711
Less accumulated depreciation for:				
Buildings and improvements	3,343,576	257,346	86,517	3,514,405
Furniture and equipment	343,622	122,404	61,023	405,003
Infrastructure	392,253	66,695	-	458,948
Total accumulated depreciation	<u>4,079,451</u>	<u>446,445</u>	<u>147,540</u>	<u>4,378,356</u>
Total capital assets, being depreciated, net	<u>11,019,267</u>	<u>(222,841)</u>	<u>49,196</u>	<u>10,747,230</u>
Governmental activities capital assets, net	<u>\$ 11,147,401</u>	<u>\$ 2,512,150</u>	<u>\$ 49,196</u>	<u>\$ 13,610,355</u>

Depreciation expense of \$446,445 for the year ended June 30, 2019, was unallocated.

7. RETIREMENT SYSTEMS

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

Teachers' Retirement System of Louisiana (TRSL)

Plan Description

Employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Teachers' Retirement System of Louisiana

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

(TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

Benefits Provided

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

1. Normal Retirement

Regular Plan

Members hired prior to July 1, 1999

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

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

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

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

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

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

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

Plan A – Plan A is closed to new entrants.

All Plan A members

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

Plan B

Members hired before July 1, 2015

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

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

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

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

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

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

2. Deferred Retirement Option Program (DROP)

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

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

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

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

3. Disability Benefits

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

4. Survivor Benefits

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

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23 if enrolled in an approved institution of higher education.

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

Permanent Benefit Increases/Cost-of-Living Adjustments

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

Optional Retirement Plan (ORP)

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

The ORP is a defined contribution pension plan which provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

Contributions

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2019 are as follows:

2019 TRSL Sub Plan	Employer Contributions
K-12 Regular Plan, Lunch Plans A & B	26.7%
Higher Ed Regular Plan	25.5%
ORP	Employer
2019	21.8%

The School Board's contractually required composite contribution rate for the year ended June 30, 2019 was 26.7% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$1,575,872 for the year ended June 30, 2019.

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

At June 30, 2019, the School Board reported a liability of \$11,537,113 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the School Board's proportion was 0.117390%, which was an increase of 0.004500% from its proportion measured as of June 30, 2017.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

For the year ended June 30, 2019, the School Board recognized pension expense of \$762,466 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$256,880.

At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (380,056)
Changes of assumptions	741,297	-
Net difference between projected and actual earnings on plan investments	-	(743,545)
Changes in proportion and differences between School Board contributions and proportionate share of contributions	954,114	-
Difference in contributions	-	(78,308)
Employer contributions subsequent to measurement date	<u>1,575,872</u>	<u>-</u>
Total	<u>\$ 3,271,283</u>	<u>\$ (1,201,909)</u>

\$1,575,872 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>TRSL</u>
2020	\$ 351,414
2021	148,643
2022	(87,774)
2023	81,220

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 are as follows:

Valuation Date	June 30, 2018
Actuarial cost method	Entry Age Normal
Amortization approach	Closed
Actuarial assumptions:	
Expected remaining service lives	5 years
Investment rate of return	7.65% net of investment expenses *
Inflation rate	2.5% per annum
Projected salary increases	3.3% - 4.8% varies depending on duration of service
Cost-of-living adjustments	None
Mortality	Active members - RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females. Non-Disabled retiree/inactive members - RP 2014 White Collar healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females. Disability retiree mortality - RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females. These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.
Termination and disability	Termination, disability, and retirement assumptions were projected based on a 5-year (July 1, 2012 - June 30, 2017) experience study of the System's members.

*The investment rate of return used in the actuarial valuation for funding purposes was 8.05%, recognizing an additional 40 basis points for gain sharing. Prior to fiscal year 2018-2019, administrative expenses were funded in accordance with R.S. 11 Section 102, which by omission of language regarding the funding of administrative expenses precluded funding by a direct allocation through the employer contribution rate. Per Act 94 of 2016, noninvestment-related administrative expenses will be directly funded with employer contributions as a percentage of projected payroll beginning fiscal year 2018-2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.07% for 2018. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	27.00%	4.01%
International equity	19.00%	4.90%
Domestic fixed income	13.00%	1.36%
International fixed income	5.50%	2.35%
Private equity	25.50%	8.39%
Other private assets	10.00%	3.57%

*For reference only: Target Allocation presented in TRSL 2018 CAFR, page 68, and Long-Term Expected Real Rate of Return, page 38.

Discount Rate

The discount rate used to measure the total pension liability was 7.65%.

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

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

The following presents the School Board's proportionate share of the Net Pension Liability using the discount rate of 7.65%, as well as what the School Board's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.65%) or one percentage-point higher (8.65%) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
School Board's proportionate share of the net pension liability	\$ 15,283,881	\$ 11,537,113	\$ 8,376,518

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2018 Comprehensive Annual Financial Report at www.trsl.org.

Louisiana School Employees' Retirement System (LSERS)

Plan Description

The Louisiana School Employees' Retirement System is the administrator of a cost-sharing multiple-employer defined benefit pension plan and is a component unit of the State of Louisiana included in the State's Comprehensive Annual Financial Report as a Pension Trust Fund. The System was established and provided for by R.S. 11:1001 of the Louisiana Revised Statutes. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained at www.lasers.net.

Eligibility Requirements

Membership is mandatory for all persons employed by a Louisiana parish or city school board who work more than 20 hours per week (or for part-time employees who have 10 years of creditable service in the System) as a school bus operator, school janitor, school custodian, school maintenance employee, school bus aide, monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Member are vested after 10 years of service, or 5 years if their first employment making them eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2010, and on or before June 30, 2015.

All temporary, seasonal, and part-time employees as defined in Federal Regulations 26 CFR 31:3121(b)(7)-2 who have less than 10 years of creditable service are not eligible for membership in the System. Any employee whose employment falls below 4.1 hours per day or 20.1 hours per week and who is not vested will be eligible to receive a refund of their contributions.

Benefits Provided

Benefits provisions are authorized and amended by Louisiana Revised Statutes 11:1141 – 11:1153.

1. Normal Retirement

A member whose first employment making him/her eligible for membership in one of Louisiana's state retirement systems occurred on or before June 30, 2010, is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially-reduced benefit, or 10 years of creditable service and is at least age 60. A member whose first employment making him/her eligible for

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

membership in one of Louisiana's state retirement systems occurred on or after July 1, 2010 and on or before June 30, 2015, is eligible for normal retirement if he has at least five years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially-reduced benefit. A member whose first employment making him/her eligible for membership in one of Louisiana's state retirement systems occurred on or after July 1, 2015, is eligible for normal retirement if he has at least five years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially-reduced benefit.

For member who joined the System prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service plus a supplementary allowance of \$2.00 per month for each year of service, limited to 100% of final average compensation. For members who joined the System on or after July 1, 2006 and whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred on or before June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation.

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

2. Disability

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for regular service retirement and has become totally and permanently disabled, and is certified as disabled by the Medical Board. A vested person with 20 or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits.

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

3. Deferred Retirement Option Plan

Members of the System may elect to participate in the Deferred Retirement Option Plan (DROP) and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option had been selected, no

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

change is permitted. Upon the effective date of the commencement of participation in DROP, active membership in the regular retirement plan of the System terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in DROP. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund Account.

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

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

4. Initial Benefit Retirement Plan

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

Contributions

Employees whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred before July 1, 2010 contribute 7.50% of salary and employees whose first employment making them eligible for membership in one of Louisiana's state retirement systems occurred after July 1, 2010 contribute 8.00% of salary. The School Board contribute an actuarially determined "normal contribution" rate plus "Accrued liability contribution" rate. The current rate is 28.00% of annual covered payroll. Members are not required to contribute to the system once they have enough service to have accrued 100% of their final average compensation, but the employer is required to continue to contribute the employer's contribution until the member retires or enters DROP.

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

At June 30, 2019, the Employer reported a liability of \$960,127 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the School Board's proportion was 0.154392%, which was an increase of 0.004355% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2018, the School Board recognized pension expense of \$98,828 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$12,419.

At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 28,466
Changes in assumptions	43,457	-
Net difference between projected and actual earnings on plan investments	20,484	-
Changes in proportion and differences between School Board contributions and proportionate share of contributions	24,613	5,811
Difference in contributions	9,711	-
Employer contributions subsequent to measurement date	<u>125,302</u>	<u>-</u>
Total	<u>\$ 223,567</u>	<u>\$ 34,277</u>

\$125,302 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	<u>LSERS</u>
2020	\$ 58,695
2021	31,646
2022	(31,150)
2023	4,797

Actuarial Assumptions

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 are as follows:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment rate of return (discount rate)	7.0625% per annum; net of plan investment expenses, including inflation
Inflation rate	2.50% per annum
Mortality Rate	RP-2014 Healthy Annuitant Table RP-2014 Sex Distinct Employee Table RP-2014 Sex Distinct Disabled Table
Expected Remaining Service Lives	3 years, closed period
Cost of Living Adjustments (COLA)	Not substantively automatic

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 value and accrued liabilities include one future COLA, though not yet authorized by the legislature by including the recognition of the existing balance in the Experience Account together with the present value of future contributions to the Account up to the maximum permissible value of the Account based upon current amount limitations.

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

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2018, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income:		
Core Fixed Income	8.00%	1.68%
High Yield	5.00%	4.13%
Emerging Markets Debt	7.00%	4.42%
Global Fixed Income	10.00%	1.63%
Equity:		
US Equity	20.00%	6.15%
Developed Equity	18.00%	7.11%
Emerging Markets Equity	10.00%	9.41%
Global REITs	3.00%	5.77%
Alternative:		
Private Equity	5.00%	10.28%
Hedge Fund of Funds	3.00%	3.94%
Real Estate	5.00%	4.90%
Real Assets:		
Timber	2.00%	5.67%
Oil & Gas	2.00%	10.57%
Infrastructure	2.00%	6.25%
Total	100.00%	

The discount rate used to measure the total pension liability was 7.0625%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially-determined rates approved by the Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the School Board's proportionate share of the Net Pension Liability using the discount rate of 7.0625%, as well as what the School Board's proportionate share of the Net Pension Obligation would be if it were calculated using a discount rate that is one percentage-point lower 6.0625% or one percentage-point higher 8.0625% than the current rate:

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

	Changes in Discount Rate		
	2018		
	1%	Current	1%
	Decrease	Discount	Increase
	6.0625%	7.0625%	8.0625%
Net Pension Liability	\$ 1,416,075	\$ 1,031,551	\$ 702,860

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LSERS 2018 Comprehensive Annual Financial Report at www.lasers.net.

Louisiana State Employees' Retirement System (LASERS)

Plan Description

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

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

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

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate.

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

Deferred Retirement Benefits - The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

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

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30th immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

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

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Members of the Harbor Police Retirement System who become disabled may receive a non-line of duty disability benefit after five years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service. If the disability benefit retiree is permanently confined to a wheelchair, or is an amputee incapable of serving as a law enforcement officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

Survivor's Benefits – Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

Non-line of duty survivor benefits of the Harbor Police Retirement System may be received after a minimum of five years of credited service. Survivors benefits paid to a surviving spouse without children are equal to 40% of final average compensation, and cease upon remarriage. Surviving spouse with children under 18 benefits are equal to 60% of final average compensation, and cease upon remarriage, and children turning 18. No minimum service credit is required for line of duty survivor benefits which are equal to 60% of final average compensation to surviving spouse, regardless of children. Line of duty survivor benefits cease upon remarriage, and then benefit is paid to children under 18.

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

Contributions

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2019 for the School Board's plan follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Regular Employees hired before 7/01/06	Closed	7.50%	37.90%

The agency's contractually required composite contribution rate for the year ended June 30, 2018 was 37.90% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$14,944 for the year ended June 30, 2019.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

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

At June 30, 2019, the School Board reported a liability of \$137,763 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the School Board's proportion was .002020%, which was a decrease of .000060% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the School Board recognized pension expense of \$11,247 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$70.

At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (1,545)
Changes of assumptions	1,402	-
Net difference between projected and actual earnings on pension plan investments	1,786	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	(2,872)
Difference in contributions	1,961	(472)
Employer contributions subsequent to measurement date	<u>14,944</u>	<u>-</u>
Total	<u>\$ 20,093</u>	<u>\$ (4,889)</u>

\$14,944 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

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

LASERS	
Year ended June 30:	LASERS
2020	\$ 3,978
2021	153
2022	(3,367)
2023	(505)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 are as follows:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Expected Remaining Service	
Lives	3 years
Investment rate of return	7.65% per annum, net of investment expenses*
Inflation rate	2.75% per annum
Mortality	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.
Salary increases	Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:

Member Type	Lower Range	Upper Range
Regular	3.8%	12.8%
Judges	2.8%	5.3%
Corrections	3.4%	14.3%
Hazardous Duty	3.4%	14.3%
Wildlife	3.4%	14.3%

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

Cost of Living Adjustments The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefits payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

*The investment rate of return used in the actuarial valuation for funding purposes was 8.05%, recognizing an additional 40 basis points for gain-sharing. The net return available to fund regular plan benefits is 7.83%, which is reasonably close to the 7.65% discount rate. Therefore, we conclude that the 7.65% discount is reasonable.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.25% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.83% for 2018. 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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	-0.48%
Domestic Equity	4.31%
International Equity	5.26%
Domestic Fixed Income	1.49%
International Fixed Income	2.23%
Alternative Investments	7.67%
Risk Parity	4.96%
Total	<u>5.40%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the 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.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

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

The following presents the Employer’s proportionate share of the Net Pension Liability using the discount rate of 7.65%, as well as what the Employer’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage-point higher than the current rate:

	1.0% Decrease (6.65%)	Current Discount Rate (7.65%)	1.0% Increase (8.65%)
Employer's proportionate share of the net pension liability	\$ 173,865	\$ 137,763	\$ 106,669

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued LASERS 2018 Comprehensive Annual Financial Report at www.lasersonline.org.

8. OTHER POSTEMPLOYMENT BENEFITS

In accordance with state statutes, the School Board provides certain postemployment health care and life insurance benefits to its retired employees. Substantially all of the School Board’s employees may become eligible for such benefits upon reaching normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through a state-operated group insurance program and various insurance companies whose monthly premiums are paid jointly by the employee and the School Board.

Plan Description – The School Board provides certain post-employment health care and life insurance benefits to its retired employees. Substantially all of the School Board’s employees may become eligible for such benefits upon reaching retirement age. The School Board OPEB plan is a single-employer defined benefit “substantive plan” as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Also, no stand-alone report was prepared. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board.

Funding Policy - The School Board recognizes the cost of providing these benefits to retirees (School Board’s portion of the retiree medical and life benefit premiums) as an expenditure when benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go-basis. The School Board’s portion of health care funding cost for retired employees totaled \$527,160 for 93 retirees for the year ended June 30, 2019.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

Sensitivity Analysis of the Discount and Healthcare Cost Trend Rate

Sensitivity of the total OPEB liability to changes in the discount rate were calculated using a discount rate that is one percentage point lower (2.88%) or one percentage point higher (4.88%) than the current discount rate:

	<u>Discount Rate</u>		
	1.0% Decrease (2.88%)	Current Discount Rate (3.88%)	1.0% Increase (4.88%)
Total OPEB Liability	<u>\$ 10,780,106</u>	<u>\$ 9,419,864</u>	<u>\$ 8,321,630</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate were calculated using a discount rate that is one percentage point lower (4.00%) or one percentage point higher (6.00%) than the current discount rate:

	<u>Health Cost Trend Rate</u>		
	1.0% Decrease (4.00%)	Current Discount Rate (5.00%)	1.0% Increase (6.00%)
Total OPEB Liability	<u>\$ 8,342,601</u>	<u>\$ 9,419,864</u>	<u>\$ 10,769,388</u>

Actuarial Methods and Assumptions

The total OPEB liability of \$9,419,864 in the June 30, 2019 actuarial valuation was determined using the following actuarial methods and assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal Cost - Level Percentage of Projected Salary
Actuarial Assumptions:	
Inflation rate	3.00%
Salary scale	3.50%
Discount rate	3.88% (0.88 real rate of return plus 3.00% inflation)
Mortality	RPH-2014 Total Table with Projection MP-2018
Health Care Cost Trend	5.00%

9. LEASES

On May 7, 2019, the School Board entered into a lease agreement for one (1) school bus effective July 1, 2019. The lease is for a period of five (5) years and can only be terminated without penalty if the School Board fails to appropriate or make available funds to meet its obligations under agreement during any fiscal year per Louisiana state law. The agreement contains a clause

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

indicating a 15,000 mile per year limit, plus a .50 cents per mile surcharge on any miles that exceeds the base mileage.

The School Board had no capital leases as of June 30, 2019.

Future minimum lease payments under these lease agreements are:

<u>Year Ended June 30.</u>	<u>Amount</u>
2020	18,500
2021	18,500
2022	18,500
2023	18,500
2024	18,500
	<u>\$ 92,500</u>

Total lease payments for the year ended June 30, 2019 was \$18,500.

10. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2019:

Type of Debt	Balance at June 30, 2018	Additions	Deductions	Balance at June 30, 2019	Amount Due Within One Year
Compensated absences	\$ 206,780	\$ -	\$ 29,490	\$ 177,290	\$ 24,821
\$3,540,000 General Obligation					
Bonds, Series 2013	2,830,000	-	180,000	2,650,000	185,000
\$4,460,000 General Obligation					
Bonds, Series 2013A	4,080,000	-	80,000	4,000,000	85,000
\$2,880,000 Sales Tax Bonds Series 2016	2,808,931	-	42,173	2,766,758	43,344
\$2,966,000 Sales Tax Bonds Series 2018	-	2,966,000	31,693	2,934,307	35,779
Net Postemployment Benefit Obligation	9,275,237	144,627	-	9,419,864	-
Net pension liabilities	12,679,533	26,894	-	12,706,427	-
	<u>\$ 31,880,481</u>	<u>\$ 3,137,521</u>	<u>\$ 363,356</u>	<u>\$ 34,654,646</u>	<u>\$ 373,944</u>

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

The individual bond issues and loan agreement are as follows:

Bond Issue/Loan Agreement	Original Issue Amount	Interest Rate	Principal Outstanding June 30, 2019	Interest to Maturity	Maturity Date
General Obligation Bonds, Series 2013	\$ 3,540,000	3.250%	\$ 2,650,000	\$ 592,800	2031
General Obligation Bonds, Series 2013A	4,460,000	2.125%	4,000,000	1,136,981	2038
\$2,880,000 Sales Tax Bonds, Series 2016	2,880,000	2.750%	2,766,758	1,655,911	2057
\$2,966,000 Sales Tax Bonds, Series 2018	2,966,000	3.500%	2,934,307	2,460,957	2058

The payments due under the terms of the notes payable as of June 30th are scheduled to occur as follows:

Year Ending June 30,	Principal	Interest	Total
	Payments	Payments	
2020	\$ 349,123	\$ 348,996	\$ 698,119
2021	361,603	338,698	700,301
2022	369,162	328,051	697,213
2023	381,801	317,162	698,963
2024	389,525	305,919	695,444
2025-2059	10,505,524	4,207,823	14,713,347
	<u>\$ 12,356,738</u>	<u>\$ 5,846,649</u>	<u>\$ 18,203,387</u>

11. CHANGES IN AGENCY FUND DEPOSITS HELD FOR SCHOOLS

A summary of changes in agency fund deposits due others follows:

School	Beginning Balance	Additions	Deductions	Ending Balance
	July 1, 2018			June 30, 2019
St. Helena Arts & Technology Center	\$ 16,528	\$ 42,040	\$ 30,169	\$ 28,399
St. Helena College & Career Academy	47,083	246,136	249,452	43,767
St. Helena Early Learning Center	11,776	33,085	30,669	14,192
Total	<u>\$ 75,387</u>	<u>\$ 321,261</u>	<u>\$ 310,290</u>	<u>\$ 86,358</u>

12. RELATED PARTY TRANSACTIONS

There were no related party transactions that would require disclosure in the accompanying financial statements.

ST. HELENA PARISH SCHOOL BOARD

Greensburg, Louisiana

Notes to the Financial Statements

13. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employers' governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$4,699.

14. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities revenue. The Minimum Foundation Program funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$8,827,017 to the School Board, which represents approximately 55% of the School Board's total revenue in the governmental funds for the year.

15. SUBSEQUENT EVENTS

The School Board is required to evaluate events or transactions that may occur after the balance sheet date for potential recognition or disclosure in the financial statements. The School Board performed such an evaluation through December 30, 2019, the date which the financial statements were available to be issued, and noted no subsequent events or transaction that occurred after the balance sheet date requiring recognition or disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES**

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
REVENUES				
Local sources:				
Ad valorem taxes	\$ 225,000	\$ 205,000	\$ 227,597	\$ 22,597
Interest earnings	5,000	5,000	34,529	29,529
Other	20,000	15,000	134,064	119,064
Total local sources	<u>250,000</u>	<u>225,000</u>	<u>396,190</u>	<u>171,190</u>
State sources:				
Minimum Foundation Program	8,700,455	8,817,557	8,811,557	(6,000)
Other	31,000	31,000	37,274	6,274
Total state sources	<u>8,731,455</u>	<u>8,848,557</u>	<u>8,848,831</u>	<u>274</u>
Federal programs				
Total revenues	<u>8,981,455</u>	<u>9,073,557</u>	<u>9,245,021</u>	<u>171,464</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	3,258,055	3,017,487	2,855,940	161,547
Special education programs	862,062	698,464	656,478	41,986
Vocational programs	315,628	251,024	244,175	6,849
Other instructional programs	431,705	450,591	444,958	5,633
Special programs	55,479	56,641	56,249	392
Support services:				
Pupil support services	784,923	529,640	519,257	10,383
Instructional staff services	230,427	246,497	233,375	13,122
General administration	463,768	473,149	460,046	13,103
School administration	550,060	793,244	781,566	11,678
Business services	306,802	306,425	301,201	5,224
Plant services	499,324	421,504	394,465	27,039
Student transportation services	1,021,257	1,098,802	1,077,288	21,514
Central services	172,031	153,687	140,606	13,081
Food services operations	14,635	14,083	11,505	2,578
Community services operations	8,800	8,800	8,800	-
Total expenditures	<u>8,974,956</u>	<u>8,520,038</u>	<u>8,185,909</u>	<u>334,129</u>

(Continued)

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Final Budget Positive (Negative)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 6,499	\$ 553,519	\$ 1,059,112	\$ 505,593
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	105,000	120,000	167,614	47,614
Operating transfers out	(110,000)	(1,442,873)	(1,464,104)	(21,231)
Total other financing sources (uses)	(5,000)	(1,322,873)	(1,296,490)	26,383
NET CHANGES IN FUND BALANCE	1,499	(769,354)	(237,378)	531,976
FUND BALANCE - JUNE 30, 2018	5,819,898	5,899,421	5,899,421	-
FUND BALANCE - JUNE 30, 2019	<u>\$ 5,821,397</u>	<u>\$ 5,130,067</u>	<u>\$ 5,662,043</u>	<u>\$ 531,976</u>

(Concluded)

See Independent Auditors' Report on Required Supplementary Information.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Five Years Ended June 30, 2019*

Teachers' Retirement System of Louisiana	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.117390%	0.112890%	0.116220%	0.103960%	0.088380%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 11,537,113	\$ 11,573,139	\$ 13,641,196	\$ 11,178,067	\$ 9,033,601
Employer's Covered-Employee Payroll	\$ 5,545,553	\$ 6,407,631	\$ 4,978,989	\$ 5,006,571	\$ 3,872,717
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	208.04%	180.61%	273.97%	223.27%	233.26%
Plan Fiduciary Net Position as a Percentage of total Pension Liability	68.20%	65.60%	59.90%	62.50%	63.70%
 Louisiana School Employees' Retirement System	 <u>2019</u>	 <u>2018</u>	 <u>2017</u>	 <u>2016</u>	 <u>2015</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.154392%	0.150037%	0.180377%	0.180377%	0.173900%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,031,551	\$ 960,127	\$ 1,151,096	\$ 1,143,819	\$ 1,007,972
Employer's Covered-Employee Payroll	\$ 454,243	\$ 539,623	\$ 442,619	\$ 509,864	\$ 440,675
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	227.09%	177.93%	260.06%	224.00%	228.73%
Plan Fiduciary Net Position as a Percentage of total Pension Liability	74.44%	75.03%	70.09%	74.50%	76.20%

Continued

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

**Schedule of Employer's Share of Net Pension Liability
For the Five Years Ended June 30, 2019***

Louisiana State Employees' Retirement System	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Employer's Proportion of the Net Pension Liability (Asset)	0.002020%	0.002080%	0.002040%	0.002010%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 137,763	\$ 146,267	\$ 160,349	\$ 136,506
Employer's Covered-Employee Payroll	\$ 38,784	\$ 42,953	\$ 40,632	\$ 3,419
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	355.21%	340.53%	394.64%	3992.60%
Plan Fiduciary Net Position as a Percentage of total Pension Liability	64.30%	62.50%	57.70%	62.70%

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

Concluded

See Independent Auditors' Report on Supplementary Information and Accompanying Notes to Required Supplementary Information Related to Net Pension Liability.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Schedule of Employer's Pension Contributions
For the Year Ended June 30, 2019

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered- Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
TRSL					
2019	\$ 1,575,872	\$ 1,575,872	\$ -	\$ 5,902,142	26.70%
2018	1,475,117	1,475,117	-	5,545,553	26.60%
2017	1,633,946	1,633,946	-	6,407,631	25.50%
2016	1,309,474	1,309,474	-	4,978,989	26.30%
2015	1,401,840	1,401,840	-	5,006,571	28.00%
2014	1,053,379	1,053,379	-	3,872,717	27.20%
2013	865,777	865,777	-	3,533,784	24.50%
2012	846,160	846,160	-	3,570,295	23.70%
2011	814,583	814,583	-	4,032,589	20.20%
2010	890,207	890,207	-	5,743,271	15.50%
LSERS					
2019	\$ 125,302	\$ 125,302	\$ -	\$ 447,507	28.00%
2018	125,371	125,371	-	454,243	27.60%
2017	147,317	147,317	-	539,623	27.30%
2016	133,671	133,671	-	442,619	30.20%
2015	168,255	168,255	-	509,864	33.00%
2014	142,338	142,338	-	440,675	32.30%
2013	113,013	113,013	-	366,925	30.80%
2012	189,497	189,497	-	662,577	28.60%
2011	90,472	90,472	-	372,313	24.30%
2010	83,056	83,056	-	466,607	17.80%
LASERS					
2019	\$ 14,944	\$ 14,944	\$ -	\$ 39,430	37.90%
2018	14,699	14,699	-	38,784	37.90%
2017	15,377	15,377	-	42,953	35.80%
2016	15,115	15,115	-	40,632	37.20%
2015	1,265	1,265	-	3,419	37.00%

See Independent Auditor's Report on Supplementary Information and Accompanying Notes to Required Supplementary Information Related to Net Pension Liability.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Notes to Required Supplementary Information
For the Year Ended June 30, 2019

Changes of Benefit Terms

Teachers' Retirement System of Louisiana

- A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.
- Regular Plan members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015, may retire with a 2.5% benefit factor after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age.

Louisiana School Employees' Retirement System

- There were no changes of benefits terms for the year ended June 30, 2018.

Louisiana State Employees' Retirement System

- A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session. There were no changes in benefits terms for any of the remaining years presented.

Changes of Assumptions

Teachers' Retirement System of Louisiana

- For the actuarial valuation for the year ended June 30, 2018, the discount rate decreased from 7.70% to 7.65%.

Louisiana School Employees' Retirement System

- For the actuarial valuation for the year ended June 30, 2018, the discount rate decreased from 7.125% to 7.0625%.

Louisiana State Employees' Retirement System

- For the actuarial valuation for the year ended June 30, 2018, the discount rate decreased from 7.70% to 7.65%.

Schedule 4

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2019

	2019	2018
Total OPEB Liability		
Service cost	\$ 322,135	\$ 310,103
Interest cost	349,652	357,512
Benefit payments	(527,160)	(593,024)
Net change in OPEB liability	144,627	74,591
Total OPEB Liability - Beginning	9,275,237	9,200,646
Total OPEB Liability - Ending	<u>\$ 9,419,864</u>	<u>\$ 9,275,237</u>
Covered Employee Payroll	\$ 2,892,245	\$ 2,892,245
Net OPEB Liability as a percentage of Covered Employee Payroll	325.69%	320.69%

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

See Independent Auditors' Report on Required Supplementary Information.

**SUPPLEMENTAL INFORMATION
SCHEDULES**

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
OTHER NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2019

	Title I	Title II	Special Education IDEA	Special Education Preschool
ASSETS				
Cash and cash equivalents	\$ (429,502)	\$ (28,591)	\$ (68,459)	\$ (5,785)
Receivables	554,619	39,094	115,891	9,924
Interfund accounts receivable	-	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	\$ 125,117	\$ 10,503	\$ 47,432	\$ 4,139
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries, and other payables	\$ 76,612	\$ 6,926	\$ 36,253	\$ 3,231
Interfund accounts payables	48,512	3,578	10,603	909
TOTAL LIABILITIES	125,124	10,504	46,856	4,140
Fund balances:				
Nonspendable:				
Inventory	-	-	-	-
Restricted:				
Classroom activities	(7)	(1)	576	(1)
Construction and renovations of capital assets	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Salaries	-	-	-	-
School lunch	-	-	-	-
Debt service	-	-	-	-
TOTAL FUND BALANCES	(7)	(1)	576	(1)
TOTAL LIABILITIES AND FUND BALANCES	\$ 125,117	\$ 10,503	\$ 47,432	\$ 4,139

(Continued)

See Independent Auditor's Report on Supplementary Information.

Schedule 5

School Food Service	One Cent Sales Tax	One-Half Cent Sales Tax	Other State Grants	Other Federal Grants	Summer Food Program	Other Local Grants
\$ 480,928	\$ 56,713	\$ 102,640	\$ 13,692	\$ (215,113)	\$ 16,548	\$ 62,826
2,833	62,513	31,255	60,237	251,303	14,139	335
507	-	-	-	-	-	-
15,767	-	-	-	-	-	-
<u>\$ 500,035</u>	<u>\$ 119,226</u>	<u>\$ 133,895</u>	<u>\$ 73,929</u>	<u>\$ 36,190</u>	<u>\$ 30,687</u>	<u>\$ 63,161</u>
\$ 67,955	\$ 8,285	\$ 8,654	\$ 15,985	\$ 23,913	\$ 9,127	\$ -
-	-	-	-	12,193	-	-
<u>67,955</u>	<u>8,285</u>	<u>8,654</u>	<u>15,985</u>	<u>36,106</u>	<u>9,127</u>	<u>-</u>
15,767	-	-	-	-	-	-
-	-	-	57,944	84	-	63,161
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	110,941	125,241	-	-	-	-
416,313	-	-	-	-	21,560	-
-	-	-	-	-	-	-
<u>432,080</u>	<u>110,941</u>	<u>125,241</u>	<u>57,944</u>	<u>84</u>	<u>21,560</u>	<u>63,161</u>
<u>\$ 500,035</u>	<u>\$ 119,226</u>	<u>\$ 133,895</u>	<u>\$ 73,929</u>	<u>\$ 36,190</u>	<u>\$ 30,687</u>	<u>\$ 63,161</u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
OTHER NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2019

	FEMA Disaster Relief	Millage Supplement	Debt Service Fund	Total
ASSETS				
Cash and cash equivalents	\$ 16,696	\$ 123,222	\$ 120,400	\$ 246,215
Receivables	-	27	-	1,142,170
Interfund accounts receivable	-	-	-	507
Inventory	-	-	-	15,767
TOTAL ASSETS	\$ 16,696	\$ 123,249	\$ 120,400	\$ 1,404,659
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries, and other payables	\$ -	\$ 122,968	\$ -	\$ 379,909
Interfund accounts payable	-	-	-	75,795
TOTAL LIABILITIES	-	122,968	-	455,704
Fund balances:				
Nonspendable:				
Inventory	-	-	-	15,767
Restricted:				
Classroom activities	-	-	-	121,756
Construction and renovations of capital assets	-	-	-	-
Operation and maintenance of plant	16,696	-	-	16,696
Salaries	-	281	-	236,463
School lunch	-	-	-	437,873
Debt service	-	-	120,400	120,400
TOTAL FUND BALANCES	16,696	281	120,400	948,955
TOTAL LIABILITIES AND FUND BALANCES	\$ 16,696	\$ 123,249	\$ 120,400	\$ 1,404,659

(Concluded)

See Independent Auditor's Report on Supplementary Information.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
OTHER NONMAJOR GOVERNMENTAL FUNDS
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	<u>Title I</u>	<u>Title II</u>	<u>Special Education IDEA</u>
Revenues			
Local sources:			
Taxes:			
Ad valorem taxes	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-
Charges for services	-	-	-
Other	-	-	-
Total local sources	-	-	-
State sources:			
Minimum Foundation Program	-	-	-
Other	-	-	-
Total state sources	-	-	-
Federal programs	818,342	100,640	348,436
Total Revenues	818,342	100,640	348,436
Expenditures			
Instruction:			
Regular Programs	-	-	-
Special Education Programs	-	-	208,892
Vocational Programs	-	-	-
Other instructional programs	15,149	-	-
Special programs	301,989	10,977	-
Support Services:			
Pupil Support Services	26,738	-	-
Instructional Staff Services	345,535	80,455	107,620
General Administration	-	-	-
School Administration	-	-	-
Business Services	-	-	-
Plant Services	-	-	-
Student Transportation Services	7,063	-	-
Central Services	48,550	-	-
Operation of Non-Instructional Services:			
Food Services Operations	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	745,024	91,432	316,512

(Continued)

See Independent Auditor's Report on Supplementary Information.

Special Education Preschool	School Food Service	One Cent Sales Tax	One-Half Cent Sales Tax	Other State Grants	Other Federal Grants	Summer Food Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	771,624	385,792	-	-	-
-	14,254	-	-	-	-	-
-	689	662	331	-	-	-
-	14,943	772,286	386,123	-	-	-
-	15,460	-	-	-	-	-
-	-	-	-	178,247	-	-
-	15,460	-	-	178,247	-	-
24,757	1,049,951	-	-	-	705,262	14,139
24,757	1,080,354	772,286	386,123	178,247	705,262	14,139
-	-	213,208	82,161	31,394	4,029	-
19,917	-	58,255	30,402	-	-	-
-	-	15,354	9,188	-	11,538	-
-	-	45,191	16,554	27,460	349,630	-
-	-	36,413	17,957	110,368	88,902	-
-	-	21,137	10,581	13,249	32,427	-
2,574	-	54,454	27,177	8,939	111,322	-
-	-	42,016	22,972	-	-	-
-	-	41,106	12,952	-	-	-
-	-	19,256	11,629	-	-	-
-	-	44,566	30,877	-	-	-
-	-	62,505	35,119	-	-	-
-	-	5,182	3,127	-	63,715	-
-	990,346	104,555	60,396	-	-	12,697
-	-	-	-	-	-	-
-	-	-	-	-	-	-
22,491	990,346	763,198	371,092	191,410	661,563	12,697

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
OTHER NONMAJOR GOVERNMENTAL FUNDS
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	<u>Title I</u>	<u>Title II</u>	<u>Special Education IDEA</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 73,318	\$ 9,208	\$ 31,924
OTHER FINANCING SOURCES (Uses)			
Other Sources of Funds	-	-	-
Other Uses of Funds	(73,319)	(9,209)	(31,924)
Total Other Sources and (Uses)	(73,319)	(9,209)	(31,924)
NET CHANGES IN FUND BALANCES	(1)	(1)	-
FUND BALANCES - JULY 1, 2018	(6)	(1)	576
FUND BALANCES (Deficit) - JUNE 30, 2019	<u>\$ (7)</u>	<u>\$ (2)</u>	<u>\$ 576</u>

(Continued)
See Independent Auditor's Report on Supplementary Information.

<u>Special Education Preschool</u>	<u>School Food Service</u>	<u>One Cent Sales Tax</u>	<u>One-Half Cent Sales Tax</u>	<u>Other State Grants</u>	<u>Other Federal Grants</u>	<u>Summer Food Program</u>
\$ 2,266	\$ 90,008	\$ 9,088	\$ 15,031	\$ (13,163)	\$ 43,699	\$ 1,442
-	-	-	-	27,460	7,192	-
(2,266)	-	-	-	-	(50,896)	-
(2,266)	-	-	-	27,460	(43,704)	-
-	90,008	9,088	15,031	14,297	(5)	1,441
(1)	342,072	101,853	110,210	43,647	89	20,119
<u>\$ (1)</u>	<u>\$ 432,080</u>	<u>\$ 110,941</u>	<u>\$ 125,241</u>	<u>\$ 57,944</u>	<u>\$ 84</u>	<u>\$ 21,560</u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	<u>Other Local Grants</u>	<u>FEMA Disaster Relief</u>	<u>Millage Supplement</u>
Revenues			
Local sources:			
Taxes:			
Ad valorem taxes	\$ -	\$ -	\$ 754,255
Sales and use taxes			
Charges for services	-	-	-
Other	26,100	-	1,155
Total local sources	<u>26,100</u>	<u>-</u>	<u>755,410</u>
State sources:			
Minimum Foundation Program	-	-	-
Other	-	-	-
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>
Federal programs	-	-	-
Total Revenues	<u>26,100</u>	<u>-</u>	<u>755,410</u>
Expenditures			
Instruction:			
Regular Programs	4,191	-	274,355
Special Education Programs	-	-	80,512
Vocational Programs	-	-	16,335
Other instructional programs	4,906	-	36,621
Special programs	-	-	40,457
Support Services:			
Pupil Support Services	1,594	-	28,027
Instructional Staff Services	10,240	-	66,321
General Administration	1,580	-	42,451
School Administration	-	-	59,272
Business Services	-	-	18,034
Plant Services	-	4,785	44,100
Student Transportation Services	-	-	54,462
Central Services	-	-	4,506
Operation of Non-Instructional Services:			
Food Services Operations	-	-	91,932
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>22,511</u>	<u>4,785</u>	<u>857,385</u>

(Continued)

See Independent Auditor's Report on Supplementary Information.

Schedule 6

Debt Service Fund	Total
\$ -	\$ 754,255
-	1,157,416
-	14,254
-	28,937
-	<u>1,954,862</u>
-	15,460
-	<u>178,247</u>
-	<u>193,707</u>
-	<u>3,061,527</u>
-	<u>5,210,096</u>
-	609,338
-	397,978
-	52,415
-	495,511
-	607,063
-	133,753
-	814,637
-	109,019
-	113,330
-	48,919
-	124,328
-	159,149
-	125,080
-	1,259,926
333,866	333,866
<u>327,286</u>	<u>327,286</u>
<u>661,152</u>	<u>5,711,598</u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2019

	<u>Other Local Grants</u>	<u>FEMA Disaster Relief</u>	<u>Millage Supplement</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 3,589	\$ (4,785)	\$ (101,975)
OTHER FINANCING SOURCES (Uses)			
Other Sources of Funds	3,579	-	38,000
Other Uses of Funds	-	-	-
Total Other Sources and (Uses)	<u>3,579</u>	<u>-</u>	<u>38,000</u>
NET CHANGES IN FUND BALANCES	7,168	(4,785)	(63,975)
FUND BALANCES - JULY 1, 2018	<u>55,993</u>	<u>21,481</u>	<u>64,256</u>
FUND BALANCES (Deficit) - JUNE 30, 2019	<u>\$ 63,161</u>	<u>\$ 16,696</u>	<u>\$ 281</u>

(Concluded)
See Independent Auditor's Report on Supplementary Information.

Schedule 6

<u>Debt Service Fund</u>	<u>Total</u>
\$ (661,152)	\$ (501,502)
676,465	752,696
-	(167,614)
<u>676,465</u>	<u>585,082</u>
15,313	83,580
<u>105,087</u>	<u>865,375</u>
<u>\$ 120,400</u>	<u>\$ 948,955</u>

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Schedule of Compensation, Benefits and Other Payment to Chief Executive Officer
June 30, 2019

Agency Head Name: Kelli Joseph, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 120,049
Benefits - Insurance	10,666
Benefits - Retirement	32,053
Benefits - Medicare	1,741
Benefits - Worker's Compensation	852
Travel Reimbursement	1,889
	<u>\$ 167,250</u>

See Independent Auditors' Report on Required Supplementary Information.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2019

This schedule of compensation paid to school board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The compensation of school board members is included in the general administration expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the school board members have elected the monthly method of compensation. Under this method, each member of the school board receives \$800 per month, and the president receives \$900 per month for performing the duties of the office.

	<u>Amount</u>
Bell, Virginia	\$ 9,600
Chaney, Linda F.	10,800
Hurst, Dr. Byron	9,600
Porter, Joyce	9,600
Travis, Alton P., Jr.	9,600
Whitley, Barbara	<u>9,600</u>
	<u>\$ 58,800</u>

See Independent Auditors' Report on Required Supplementary Information.

ST. HELENA PARISH SCHOOL BOARD
GREENSBURG, LOUISIANA

FEDERAL GRANTS
FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

PAGE

SINGLE AUDIT REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditors' Report on Compliance For Each Major Program and On Internal Control Over Compliance Required by the Uniform Guidance.....	4
Schedule of Expenditures of Federal Awards	9
Notes to the Schedule of Expenditures of Federal Awards	11
Schedule of Findings and Questioned Costs	12
Schedule of Prior Year Audit Findings.....	14



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

**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**

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **St. Helena Parish School Board (the School Board)** as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise **the School Board's** basic financial statements, and have issued our report thereon dated December 30, 2019.

Internal Control Over Financial Reporting

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

**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
(CONTINUED)**

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **the School Board's** financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

**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
(CONTINUED)**

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.

This report is intended solely for the information and use of the members of the School Board, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 30, 2019

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Members of the
St. Helena Parish School Board
Greensburg, Louisiana

Report on Compliance for the Major Federal Program

We have audited the compliance of the **St. Helena Parish School Board (the School Board)** compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on **the School Board's** major federal program for the year ended June 30, 2019. **The School Board's** major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

(CONTINUED)

Auditors' Responsibility

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

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

Opinion on the 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 its major federal program for the year ended June 30, 2019.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

(CONTINUED)

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 its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance on its 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.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

(CONTINUED)

Report on Internal Control Over Compliance, Continued

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.

**Report on Schedule of Expenditures of Federal Awards Required by
the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **the School Board**, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise **the School Board's** basic financial statements. We issued our report thereon dated December 30, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

(CONTINUED)

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.

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 30, 2019

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
U.S. DEPARTMENT OF AGRICULTURE:		
Awards Passed Through State Department of Education:		
Child Nutrition Cluster:		
Summer Food Program	10.559	\$ 12,697
School Breakfast Program	10.553	331,816
School Lunch Program	10.555	508,701
After School Snack Program	10.555	1,737
Total Child Nutrition Cluster		854,951
U.S. DEPARTMENT OF EDUCATION:		
Awards Passed Through State Department of Education:		
Fresh Fruits and Vegetables Program	10.582	49,120
Equipment Program	10.XXX	15,000
Food Distribution	10.550	53,570
Total U.S. Department of Agriculture		972,641
Awards Passed Through State Department of Education:		
IASA Title I	84.010	790,724
IASA Title I - Direct Services	84.01A	10,619
IASA Title I - School Redesign	84.010	17,000
IASA Title IV	84.424A	9,934
IASA Title II	84.367	100,640
IDEA, Part B	84.027	348,436
IDEA, Section 619 Preschool	84.173	24,757
Vocational Education-Basic Grants to States	84.048	11,538
Rural Education	84.358	14,172
Striving Readers/Comprehensive Literacy	84.371	398,888
Rural Implementation - TIF	84.374	6,206
Teachers and School Leader Incentive Funds	84.374	152,099
Gaining Early Awareness and Readiness for Undergraduate Program	84.334	32,427
Total U.S. Department of Education		\$ 1,917,440

See Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016, CONTINUED**

	<u>CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:		
Awards Passed Through State Department of Education:		
LA 4 Early Childhood Program	93.558	<u>\$ 80,003</u>
Total U.S. Department of Health and Human Services		<u>80,003</u>
Total Expenditures		<u><u>\$ 2,970,084</u></u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards.

ST. HELENA PARISH SCHOOL BOARD
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - General:

The accompanying Schedule of Expenditures of Federal Awards (**the Schedule**) presents the activity of all federal award programs of **St. Helena Parish School Board (the School Board)**. **The School Board** reporting entity is defined in NOTE 1 to the financial statements for the year ended June 30, 2019. All federal awards passed through other government agencies are included on the Schedule.

NOTE 2 - Basis of Accounting:

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in NOTE 1 to **the School Board's** financial statements for the year ended June 30, 2019.

The preparation of the Schedule of Expenditures of Federal Awards in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. Actual results could differ from those estimates.

NOTE 3 - Relationship to Federal Financial Reports:

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of **the School Board** under programs of the federal government for the year ended June 30, 2019 and is presented on the accrual basis of accounting. The information in the accompanying schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in the accompanying schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 4 - Contingencies:

The School Board is the recipient of funds from various state and federal agencies. The administration of the programs funded by these agencies is under the control of **the School Board** and are subject to audits and reviews by the agencies or their designees. Any grants or awards found to be not properly spent in accordance with the terms, conditions and regulations may be subject to recapture.

ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

Section I - Summary of Auditors' Results

- A. The type of report issued on the financial statements: **Unmodified.**
- B. Significant deficiencies in internal control were disclosed by the audit of the financial statements: **None reported** material weaknesses: **No.**
- C. Noncompliance which is material to the financial statements: **No.**
- D. Significant deficiencies in internal control over major programs: **None reported** Material weaknesses: **No.**
- E. The type of report issued on compliance for major programs: **Unmodified.**
- F. Any audit findings which are required to be reported under Section 200.516(a) of the Uniform Guidance: **No.**
- G. Major programs:
 - United States Department of Agriculture:
Child Nutrition Cluster - CFDA Nos. 10.559, 10.553 and 10.555
- H. Dollar threshold used to distinguish between Type A and Type B programs: **\$750,000.**
- I. Auditee qualified as a low-risk auditee under the requirements of the Uniform Guidance: **Yes.**
- J. A management letter issued: **No.**

ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2019

**Section II - Findings Relating to the Financial Statements Reported
in Accordance with Government Auditing Standards**

No matters reported.

Section III - Findings and Questioned Costs Related to Federal Awards

No matters reported.

ST. HELENA PARISH SCHOOL BOARD
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2019

Section I - Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

No matters reported.

Section II - Findings and Questioned Costs Related to Federal Awards

No matters reported.

Section III Management Letter

No matters reported.

ST. HELENA PARISH SCHOOL BOARD
INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

	<u>PAGE</u>
AGREED-UPON PROCEDURES REPORT	1
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514-PERFORMANCE AND STATISTICAL DATA):	6
Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	7
Schedule 2 - Class Size Characteristics (Formerly Schedule 6).....	8



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

To the Members of the
St. Helena Parish School Board,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by management of **St. Helena Parish School Board (the School Board)**, the Louisiana Department of Education and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of **the School Board** for the fiscal year ended June 30, 2019; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education in compliance with Louisiana Revised Statute 24:514 I. Management of **the School Board** is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures described on pages 3 to 5 either for the purpose for which this report has been requested or for any other purpose.

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

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES

(CONTINUED)

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

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 30, 2019

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

(CONTINUED)

PROCEDURES AND FINDINGS

Our procedures and associated findings are as follows:

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

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

No differences noted.

Class Size Characteristics (SCHEDULE 2, formerly SCHEDULE 6)

2. We obtained a list of classes by school, school type and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1, 2018 roll books for those classes and observed that the class was properly classified on the schedule.

No differences noted.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

Education Levels/Experience of Public School Staff (No Schedule)

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

In three (3) of twenty-five (25) tested, we noted the education level reported on the October 1, 2018 PEP report did not in agree with the education level in the individual personnel file. Also, in three (3) of twenty-five (25) tested, we noted the years of experience reported on the October 1, 2018 PEP report did not in agree with the years of experience in the individual personnel file.

Management's Response

To avoid these discrepancies in the future regarding employee's educational and experience level we will do the following:

- Receptionist/HR Support will notify employee to bring in proof of degree after being hired;
- The Human Resources Supervisor will input data in HR system (TalentEd/JCampus);
- Information will be reviewed by the Receptionist/HR Support;
- During the orientation process, the Human Resource Supervisor will verbally confirm prior experience:
 - Employee will complete Employment Verification Forms and forward to employee's previous employers; and
 - Payroll Coordinator will verbally confirm education and verify education level.
- HR/Support will scan and upload employment verification forms that are received from the employee's previous employer; and
- The Human Resources data systems (TalentEd/JCampus) will be reviewed and revised accordingly.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

(CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained the June 30th PEP data submitted to the Department of Education of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtain management's representation that the data is complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data.

In two (2) of twenty-five (25) tested, we noted the salary amount reported on the June 30, 2019 PEP report did not in agree with the salary in the individual personnel file.

Management's Response

To avoid these discrepancies in the future regarding salary and extra compensation we will do the following:

- If human resources and payroll configuration is not complete, the Finance Supervisor or Payroll Coordinator will submit the paper version of each employee's detailed salary and extra compensation payments to the Human Resources Department at least a month in advance.
- The Human Resources Supervisor will input data in HR system Jcampus;
- Information will be reviewed by the Receptionist/HR Support;
- Information will be reviewed by the Finance Supervisor or Payroll Coordinator;
- The Human Resources Supervisor will correct any discrepancies;
- Repeat review process; and
- Submit PEP report to the Louisiana Department of Education.

ST. HELENA PARISH SCHOOL BOARD
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 -
PERFORMANCE AND STATISTICAL DATA)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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

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

SCHEDULE 2 - Class Size Characteristics (formerly SCHEDULE 6)

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.

ST. HELENA PARISH SCHOOL BOARD
Greensburg, Louisiana

Class Size Characteristics
As of October 1, 2018

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	18.97%	37	66.67%	130	14.36%	28	0.00%	0
Elementary Activity Classes	13.79%	4	72.42%	21	13.79%	4	0.00%	0
Middle/Jr. High	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Middle/Jr. High Activity Classes	0.00%	0	0.00%	0	0.00%	0	0.00%	0
High	32.35%	55	31.18%	53	29.41%	50	7.06%	12
High Activity Classes	28.00%	7	20.00%	5	44.00%	11	8.00%	2
Combination	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Combination Activity Classes	0.00%	0	0.00%	0	0.00%	0	0.00%	0

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

ST. HELENA PARISH SCHOOL BOARD
INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2019



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES**

To the Members of the **St. Helena Parish School Board**
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the **St. Helena Parish School Board (the School Board)** and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. **The School Board's** management is responsible for those control and compliance areas identified in the SAUPs.

This agreed-upon procedures engagement was performed 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 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.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS

The procedures and findings related to the Statewide Agreed-Upon Procedures are as follows:

Written Policies and Procedures

1. We obtained **the School Board's** written policies and procedures and observed that they address each of the following categories and subcategories (if applicable to public funds and **the School Board's** operations):

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

No exceptions were noted.

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

No exceptions were noted.

- c) Disbursements, including processing, reviewing, and approving.

No exceptions were noted.

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

No exceptions were noted.

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

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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

No exceptions were noted.

- g) Credit Cards, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.

No exceptions were noted.

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

No exceptions were noted.

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

No exceptions were noted.

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

No exceptions were noted.

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

The School Board's ethics policies do not address (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, and (5) timely application of all available system and software patches/updates.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)**

Management's Response

The School Board approved a disaster recovery/business continuity policy at the November 14, 2019 Board meeting. This policy was developed and covers all the key points that are required.

Bank Reconciliations

2. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify **the School Board's** main operating account. We selected the main operating account and four (4) additional bank accounts. We randomly selected one (1) month from the fiscal period and obtained and inspected the corresponding bank statement and reconciliation for each account, and observed that:

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

No exceptions were noted.

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

No exceptions were noted.

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

We noted two (2) of the five (5) bank reconciliations reviewed did not include management's documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Management's Response

The Chief Financial Officer is in contact with the Louisiana Department of Treasury, Unclaimed Property Division and is working on clearing up the outstanding items.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)**

Ethics

3. Using five (5) randomly selected employees, we obtained ethics documentation from management and:

- a) Observed that the documentation demonstrates each employee/official completed one (1) hour of ethics training during the fiscal period.

No exceptions were noted.

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

No exceptions were noted.

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

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

Bruno & Tervalon LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

December 30, 2019