

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Annual Financial Report

As of and for the Year Ended June 30, 2017



BIENVILLE PARISH SCHOOL BOARD
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Independent Auditor's Report

To the Board Members of the
Bienville Parish School Board
Arcadia, 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 Bienville Parish School Board (the School Board), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof 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 - 13, budgetary comparison information on pages 70 - 76, other postemployment benefits information on pages 65 and 66, and net pension liability information and schedule of contributions on pages 67 and 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2017, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

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

A Professional Accounting Corporation

Covington, LA
December 4, 2017

**REQUIRED SUPPLEMENTARY
INFORMATION**

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

Our discussion and analysis of Bienville Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2017. Please read it in conjunction with the School Board's financial statements, which follow this Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

The primary resources available to the Bienville Parish School Board are local revenues which are primarily tax receipts, state revenues which are primarily minimum foundation funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

The governmental activities changes are as follows:

- Total revenues increased \$.2 million due mainly to an increase in sales tax.
- Total expenses increased 1.1 million mainly due to an increase in pension and OPEB expense.

Total ending fund balance of governmental funds for the year ended June 30, 2017 was \$28.5 million, which had an increase of \$.2 million, or .7%, from the year ended June 30, 2016. An analysis of this increase follows with a glance at the individual fund balances:

- The General Fund's ending fund balance increased \$5.3 million, or 377%, from the previous year's balance. This increase was mainly due to the expenditures being recorded in other funds during the year ended June 30, 2017.
- The 23 Mill Fund's ending fund balance decreased \$5.8 million, or 46%, from the previous year. This increase was mainly due to an increase in expenditures.
- The Special Sales Tax Fund's ending fund balance decreased \$.2 million, or 25%, from the previous year. This decrease was mainly due to an increase in expenditures.
- The Employee Benefits Fund's ending fund balance increased \$1.3 million, or 18%, from the previous year. This increase was mainly due to a decrease in expenditures.
- The Non-Major Governmental Fund's ending fund balance decreased \$.4 million, or 11%, from the previous year. This decrease was mainly due to an increase in plant services expenditures.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

USING THIS ANNUAL REPORT

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds: General Fund, 23 Mill Fund, Special Sales Tax Fund, and Employee Benefits Fund. The remaining statements - the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position - present financial information about activities for which the School Board acts solely as an agent for the retiree benefits funding trust and the benefit of students and parents, and other governments in Bienville Parish.

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

Basic Financial Statements

**Government-Wide
Financial Statements**

↔

**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplementary Information
Schedule of Funding Progress for Other Postemployment Benefit Plan
Schedule of Employer Contributions for Other Postemployment Benefit Plan
Schedule of Employer's Proportionate Share of the Net Pension Liability
Schedule of Employer's Contributions for Pension Plans
Budgetary Information for Major Funds

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

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

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities

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

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

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

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

Reporting the School Board's Most Significant Funds

Fund Financial Statements

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

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

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its Student Activities Funds, the Sales Tax Agency Fund, Sales Taxes Paid Under Protest Fund, and Retirees Benefit Funding Trust Fund. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE

The School Board's net position was \$4.7 million at June 30, 2017. Of this amount (\$28.5) million was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use that net position for day-to-day operations. Our analysis below focuses on the net position (Table 1) and the change in net position (Table 2) of the School Board's governmental activities.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

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

	Governmental Activities		
	2017	2016	Variance
Assets			
Current Assets	\$ 32.4	\$ 33.0	\$ (0.6)
Capital Assets, Net	22.1	23.2	(1.1)
Total Assets	54.5	56.2	(2)
Deferred Outflows of Resources	9.7	9.0	1
Liabilities			
Other Liabilities	6.1	3.7	2
Long-Term Liabilities	52.5	53.1	(1)
Total Liabilities	58.6	56.8	2
Deferred Inflows of Resources	0.9	1.9	(1)
Net Position			
Net Investment in Capital Assets	13.1	13.1	-
Restricted	20.1	24.8	(5)
Unrestricted	(28.5)	(31.4)	3
Total Net Position	\$ 4.7	\$ 6.5	\$ (2)

The (\$28.5) million in unrestricted net position of governmental activities represents accumulated results of all past years' operations. The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 on the next page takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

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

	Governmental Activities		
	2017	2016	Variance
Revenues			
Program Revenues:			
Operating Grants and Contributions	\$ 3.7	\$ 3.8	\$ (0.1)
General Revenues:			
Ad Valorem Taxes	20.7	21.8	(1.1)
Sales and Use Taxes	4.2	3.6	0.6
State Minimum Foundation Program	6.5	6.3	0.2
Other General Revenues	1.1	0.5	0.6
Total Revenues	36.2	36.0	0.2
Expenses			
Instruction:			
Regular Programs	15.6	15.0	0.6
Special Programs	2.7	2.7	-
Other Instructional Programs	3.5	3.3	0.2
Support Services:			
Student Services	1.8	1.2	0.6
Instructional Staff Support	1.5	1.6	(0.1)
General Administration	2.2	1.9	0.3
School Administration	1.9	1.9	-
Business Services	0.5	0.5	-
Plant Services	3.2	3.3	(0.1)
Student Transportation Services	2.7	3.0	(0.3)
Food Services	2.1	2.2	(0.1)
Interest on Long-Term Debt	0.3	0.3	-
Total Expenses	38.0	36.9	1.1
Increase (Decrease) in Net Position	(1.8)	(0.9)	(0.9)
Net Position, Beginning	6.5	7.4	(0.9)
Net Position, Ending	\$ 4.7	\$ 6.5	\$ (1.8)

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

Governmental Activities. As reported in the Statement of Activities, the cost of all governmental activities this year was \$38 million. The amount that taxpayers ultimately financed for these activities through School Board taxes was only \$24.9 million because some of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions of \$3.7 million. The School Board paid for the remaining public benefit portion of its governmental activities with \$6.5 million in Minimum Foundation Program funds, \$24.9 million in ad valorem and sales taxes, and \$1.1 million with other revenues such as interest and other local sources.

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

**Total Costs of Services
Versus
Net Costs of Services
(in millions)**

	Total Cost of Services			Net Cost of Services		
	2017	2016	Variance	2017	2016	Variance
Regular Programs	\$ 15.3	\$ 15.0	\$ 0.3	\$ 15.3	\$ 14.9	\$ 0.4
Special Programs	2.6	2.7	(0.1)	2.6	0.5	2.1
Other Instructional Programs	1.8	3.3	(1.5)	1.7	3.3	(1.6)
Plant Services	3.2	3.3	(0.1)	3.2	3.3	(0.1)
Student Transportation Services	2.7	3.0	(0.3)	2.7	3.0	(0.3)
Food Services	0.9	2.2	(1.3)	0.9	1.2	(0.3)
All Other	7.9	7.4	0.5	8.0	6.9	1.1
Totals	\$ 34.4	\$ 36.9	\$ (2.5)	\$ 34.4	\$ 33.1	\$ 1.3

THE SCHOOL BOARD'S FUNDS

As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it, but may also give you more insight into the School Board's overall financial health.

Budgetary Highlights. As mentioned earlier, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the Required Supplementary Information Section of this report.) The General Fund increased amounts available for appropriations from the original budget to the final budget by \$.8 million, which was due to a \$.8 million increase in budgeted fund balance.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

Additionally, the charges to appropriations decreased \$5.2 million from the original budget to the final budget due to moving some expenditures to other funds.

The actual revenues exceeded the budgeted amounts available for appropriations in the General Fund by \$.4 million, which was due to an increase in sales tax revenues.

Also, the actual charges to appropriations in the General Fund were more than the budgeted expenditures by \$.3 million due to an increase in salaries charged to the fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. At June 30, 2017, the School Board had \$22.1 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$1.1 million, or 4.8%, from last year. See Note 6 in the Notes to the Basic Financial Statements for further details.

**Capital Assets
(in millions)**

	Governmental Activities	
	June 30,	
	2017	2016
Land	\$ 0.2	\$ 0.2
Construction in Progress	2.2	2.2
Buildings	18.3	19.3
Furniture and Equipment	0.1	0.1
Transportation Equipment	1.3	1.4
Totals	\$ 22.1	\$ 23.2

DEBT ADMINISTRATION

At June 30, 2017, the School Board had \$7.2 million in general obligation bonds outstanding with maturities from 2018 to 2029 with interest rates ranging from .57% to 4.00%. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2017, the School Board's net bonded debt of \$6.1 million (total bonded debt of \$7.2 million less restricted fund balance in general obligation debt service funds of \$1.1 million) was well below the legal limit. For more detailed information, please refer to the Notes to the Basic Financial Statement (Note 12).

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Management's Discussion and Analysis
For the Year Ended June 30, 2017**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The consolidated budget for the 2017-2018 year includes a 12.7% increase in anticipated expenditures with a increase of 2.5% in budgeted revenue. The increase in budgeted revenues is primarily due to a increase in state sources. Projections show that more than 75% of the School Board's General Fund budget for the 2017-2018 year is consumed by salaries and benefits. Overall the School Board has budgeted a deficiency of revenues over expenditures in the amount of \$3.2 million for the 2017-2018 fiscal year.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Jarvis Osborne, Business Manager, at Bienville Parish School Board, P. O. Box 418, Arcadia, Louisiana 71001-0418, telephone number (318) 263-9416.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Statement of Net Position
June 30, 2017

Statement A

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 11,982,135
Investments	18,952,526
Receivables	1,468,055
Inventory	94,855
Capital Assets not Being Depreciated	
Land and Construction in Progress	2,389,591
Capital Assets Being Depreciated, Net	<u>19,661,706</u>
Total Assets	<u>54,548,868</u>
Deferred Outflows of Resources	
Deferred Outflows Related to Pensions	<u>9,701,379</u>
Total Deferred Outflows of Resources	<u>9,701,379</u>
Liabilities	
Accounts Payable	588,240
Accrued Expenses	3,432,513
Interest Payable	77,839
Unearned Revenue	22,839
Long-Term Liabilities	
Due Within One Year	2,001,794
Due in More than One Year	<u>52,485,302</u>
Total Liabilities	<u>58,608,527</u>
Deferred Inflows of Resources	
Deferred Inflows Related to Pensions	<u>959,025</u>
Total Deferred Inflows of Resources	<u>959,025</u>
Net Position	
Net Investment in Capital Assets	13,108,814
Restricted for:	
Debt Service	1,905,191
Employee Salaries, Benefits, and Retiree Insurance	16,020,393
School Operations	599,765
Facility Improvements	1,354,118
Food Services	161,863
Sales Tax Collection	23,902
Unrestricted	<u>(28,491,351)</u>
Total Net Position	<u><u>\$ 4,682,695</u></u>

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

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2017

Statement B

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Instruction:				
Regular Programs	\$ 15,630,412	\$ -	\$ 283,352	\$ (15,347,060)
Special Programs	2,734,302	-	163,332	(2,570,970)
Other Instructional Programs	3,496,246	-	1,707,882	(1,788,364)
Support Services:				
Student Services	1,830,393	-	240,258	(1,590,135)
Instructional Staff Support	1,504,697	-	46,870	(1,457,827)
General Administration	2,174,497	-	-	(2,174,497)
School Administration	1,927,194	-	-	(1,927,194)
Business Services	467,987	-	-	(467,987)
Plant Services	3,223,868	-	-	(3,223,868)
Student Transportation Services	2,727,197	-	4,929	(2,722,268)
Food Services	2,119,807	32,496	1,206,749	(880,562)
Community Service Programs	4,500	-	-	(4,500)
Interest on Long-Term Debt	265,924	-	-	(265,924)
Total Governmental Activities	\$ 38,107,024	\$ 32,496	\$ 3,653,372	(34,421,156)
General Revenues:				
Taxes:				
Ad Valorem Taxes Levied for General and Debt Purposes				20,716,462
Sales and Use Taxes				4,235,641
Grants and Contributions Not Restricted to Specific Programs				
State Revenue Sharing				123,030
Minimum Foundation Program				6,449,818
Unrestricted State Grants				36,555
Interest and Investment Earnings				142,325
Miscellaneous				875,642
Total General Revenues				32,579,473
Change in Net Position				(1,841,683)
Net Position - Beginning				6,524,378
Net Position - Ending				\$ 4,682,695

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

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Balance Sheet - Governmental Funds
June 30, 2017**

Statement C

	General	23 Mill	Special Sales Tax	Employee Benefits	Non-Major Governmental	Total
Assets						
Cash and Cash Equivalents	\$ 3,985,530	\$ 1,967,330	\$ 285,604	\$ 3,095,679	\$ 2,647,992	\$ 11,982,135
Investments	4,800,002	7,000,001	-	6,000,001	1,152,522	18,952,526
Receivables	472,086	3,447	383,619	6,401	602,502	1,468,055
Interfund Receivables	244,830	-	-	-	-	244,830
Inventory	-	-	-	-	94,855	94,855
Total Assets	\$ 9,502,448	\$ 8,970,778	\$ 669,223	\$ 9,102,081	\$ 4,497,871	\$ 32,742,401
Liabilities						
Accounts Payable	\$ 1,768	-	\$ 69,458	\$ 177,320	\$ 339,694	\$ 588,240
Accrued Expenses	1,206,788	1,875,146	-	-	350,579	3,432,513
Interfund Payables	-	-	-	-	244,830	244,830
Unearned Revenue	-	-	-	-	22,839	22,839
Total Liabilities	1,208,556	1,875,146	69,458	177,320	957,942	4,288,422
Fund Balances						
Nonspendable	-	-	-	-	94,855	94,855
Restricted	-	7,095,632	599,765	8,924,761	3,445,074	20,065,232
Unassigned	8,293,892	-	-	-	-	8,293,892
Total Fund Balances	8,293,892	7,095,632	599,765	8,924,761	3,539,929	28,453,979
Total Liabilities and Fund Balances	\$ 9,502,448	\$ 8,970,778	\$ 669,223	\$ 9,102,081	\$ 4,497,871	\$ 32,742,401

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

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Position
 June 30, 2017**

Statement D

Total Fund Balances - Governmental Funds \$ 28,453,979

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

Cost of Capital Assets	\$ 45,168,734	
Accumulated Depreciation	(23,117,437)	22,051,297
Buildings and Improvements		
Furniture and Equipment		

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

Deferred Outflows Related to Pensions		9,701,379
Deferred Inflows Related to Pensions		(959,025)

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

Balances at June 30, 2017		
Long-Term Liabilities		
Bonds Payable	\$ (7,246,000)	
QSCB Payable	(2,000,000)	
QZAB Payable	(120,000)	
Compensated Absences Payable	(1,297,025)	
Pension Liabilities	(42,639,065)	
OPEB Liability	(1,071,064)	
Claims Payable	(113,942)	(54,487,096)

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

		(77,839)
Total Net Position - Governmental Activities		\$ 4,682,695

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

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2017

Statement E

	General	23 Mill	Special Sales Tax	Employee Benefits	Non-Major Governmental	Total
Revenues						
Local Sources:						
Taxes:						
Ad Valorem	\$ 4,585,580	\$ 8,258,741	\$ -	\$ 4,313,867	\$ 3,558,274	\$ 20,716,462
Sales and Use	2,314,447	-	1,921,194	-	-	4,235,641
Interest Earnings	42,706	43,853	1,382	39,361	15,023	142,325
Food Service	-	-	-	-	32,496	32,496
Other	358,891	-	-	-	126,654	485,545
Total Local Sources	7,301,624	8,302,594	1,922,576	4,353,228	3,732,447	25,612,469
State Sources:						
Equalization	6,178,688	-	-	-	271,130	6,449,818
Other	370,749	-	-	-	257,896	628,645
Total State Sources	6,549,437	-	-	-	529,026	7,078,463
Federal Sources	-	-	-	-	3,184,312	3,184,312
Total Revenues	13,851,061	8,302,594	1,922,576	4,353,228	7,445,785	35,875,244
Expenditures						
Current:						
Instruction:						
Regular Programs	1,219,875	10,201,250	128,460	971,706	292,146	12,813,437
Special Programs	2,178,497	90,530	3,769	77,656	163,332	2,513,784
Other Instructional Programs	1,394,861	131,771	402	21,232	1,628,805	3,177,071
Support Services:						
Student Services	1,411,767	17,895	-	7,412	240,258	1,677,332
Instructional Staff Support	114,985	244,255	37,394	868,218	48,681	1,313,533
General Administration	605,347	587,179	457,890	235,606	286,135	2,172,157
School Administration	81,867	1,267,248	26,665	110,091	258,693	1,744,564
Business Services	6,815	-	3,787	412,562	3,461	426,625
Plant Services	160,350	-	762,195	37,574	2,398,092	3,358,211
Student Transportation Services	326,963	1,593,407	434,646	148,813	10,144	2,513,973
Food Service Operations	212,675	-	-	114,729	1,642,582	1,969,986
Community Service Programs	-	-	4,500	-	-	4,500
Capital Outlay	178,441	-	260,406	-	142,942	581,789
Debt Service:						
Principal Retirement	120,000	-	-	-	1,001,000	1,121,000
Interest and Bank Charges	9,620	-	-	-	263,921	273,541
Total Expenditures	8,022,063	14,133,535	2,120,114	3,005,599	8,380,192	35,661,503
Excess (Deficiency) of Revenues Over Expenditures	5,828,998	(5,830,941)	(197,538)	1,347,629	(934,407)	213,741
Other Financing Sources (Uses)						
Transfers In	75,588	-	-	-	596,000	671,588
Transfers Out	(596,000)	-	-	-	(75,588)	(671,588)
Total Other Financing Sources (Uses)	(520,412)	-	-	-	520,412	-
Net Change in Fund Balances	5,308,586	(5,830,941)	(197,538)	1,347,629	(413,995)	213,741
Fund Balances - Beginning	2,985,306	12,926,573	797,303	7,577,132	3,953,924	28,240,238
Fund Balances - Ending	\$ 8,293,892	\$ 7,095,632	\$ 599,765	\$ 8,924,761	\$ 3,539,929	\$ 28,453,979

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

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, 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, 2017**

Statement F

Total Net Change in Fund Balances - Governmental Funds \$ 213,741

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

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current year:

Depreciation Expense	\$ (1,732,080)	
Capital Outlays	<u>617,924</u>	(1,114,156)

The issuance of long-term debt provides current financial resources of governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Repayment of Bond Principal	1,121,000
-----------------------------	-----------

In the statement of activities, certain operating expenses - other post-employment benefits - are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). (2,193,297)

In the statement of activities, certain operating expenses - compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used. 46,863

Incurred but not reported claims for worker's compensation is recorded for the full accrual statements, but the amount recorded in the fund financial statements is the amount actually paid. 6,560

The recognition of pension expense in the statement of activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid. 69,989

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 7,617

Change in Net Position of Governmental Activities	<u>\$ (1,841,683)</u>
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The accompanying notes are an integral part of these financial statements.

BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Fiduciary Funds
 Statement of Fiduciary Net Position
 June 30, 2017

Statement G

	Retiree Benefits Funding Trust	Agency Funds
Assets		
Cash and Cash Equivalents	\$ 91,474	\$ 1,124,469
Accounts Receivable	-	845,176
Interest Receivable	134,529	-
Investments at Fair Value		
U. S. Government Obligations	7,090,374	-
Corporate Bonds	14,116,692	-
Restricted Assets		
Restricted Cash for Protested Taxes	-	5,022
	<u>21,433,069</u>	<u>1,974,667</u>
Liabilities		
Accounts Payable	-	22,891
Deposits Due Others	-	1,946,754
Taxes Paid Under Protest from Restricted Assets	-	5,022
	<u>-</u>	<u>1,974,667</u>
Net Position		
Restricted for OPEB	<u>\$ 21,433,069</u>	<u>\$ -</u>

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

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Fiduciary Funds
Statement of Changes in Fiduciary Net Position -
Retiree Benefits Funding Trust
For the Year Ended June 30, 2017

Statement H

Additions	
Employer Contributions	\$ 1,736,312
Investment Earnings	
Net Decrease in Fair Value of Investments	(564,829)
Coupon Accruals	533,322
Amortization and Accretion - Net	<u>(99,214)</u>
Net Investment Loss	<u>(130,721)</u>
Total Additions	<u>1,605,591</u>
Deductions	
Benefit Payments	1,736,312
Investment Expenses	<u>74,994</u>
Total Deductions	<u>1,811,306</u>
Net Decrease in Net Position	(205,715)
Net Position - Beginning of Period	<u>21,638,784</u>
Net Position - End of Period	<u><u>\$ 21,433,069</u></u>

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

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**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

The School Board operates eight schools within the Parish with a total enrollment of approximately 2,283 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

B. Basis of Presentation - Fund Accounting

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Governmental Funds

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

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

23 Mill Fund - The school district levies a twenty-three (23) mills tax on all property subject to taxation in the Parish for a period of ten (10) years, beginning with the year 2012 and ending with the year 2021, for the payment of costs of employee benefits and retiree insurance.

Special Sales Tax Fund - This fund accounts for the proceeds of a one percent parish-wide sales and use tax for maintaining and operating the parish schools and for capital improvements.

Employee Benefits Fund - The employee benefit fund accounts for a parish-wide ad valorem tax received for the purpose of paying salaries and benefits for employees and retirees of the Bienville Parish School Board.

Fiduciary Funds

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School Activities Agency Fund - This fund accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales Tax Agency Fund - This fund accounts for monies collected on behalf of other taxing authorities within the Parish.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Sales Taxes Paid Under Protest Fund - This fund accounts for sales taxes collected but paid under protest. These funds are held in the agency fund - pending settlement of the protest.

Pension (and other postemployment benefits) trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. The School reports the following trust fund:

Retired Benefits Funding Trust - A trust fund established to fund employee benefits to retirees, their spouses, and eligible dependents.

C. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

The statement of net position and the statement of activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows 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 include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of Indirect Expenses

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (FFS)

Governmental Funds

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

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

Revenues

Ad valorem taxes and sales taxes are susceptible to accrual.

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

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

Expenditures

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

Principal and interest on long-term debt is recognized when due.

Inventory items are expensed as purchased except for inventory of the School Food Service Fund which is expensed as consumed.

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements (FFS) (Continued)

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 capital assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds

The agency funds and trust fund are custodial in nature. The agency funds do not present results of operations or have a measurement focus. However, the trust fund presents results of operations and uses the economic measurement focus. The agency funds and trust fund are accounted for using the accrual basis of accounting.

D. Cash and Cash Equivalents

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

E. Investments

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

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

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

E. Investments (Continued)

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

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

F. Short-Term Interfund Receivables/Payables

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

G. 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 payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

H. Inventories and Prepaid Expenses

Inventories of the governmental fund types are recorded as expenditures as purchased except for inventory of the School Food Service Fund. Inventory of the School Food Service Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received (issued); however, all inventory items are recorded as expenditures when consumed. Unused commodities at June 30 are reported as unearned revenue. All purchased inventory items are valued at cost (first-in, first-out). Commodities are assigned values based on information provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

I. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed, and depreciated over their estimated useful lives (including salvage value). The capitalization threshold is \$5,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

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

Interest during construction is not capitalized.

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

J. Unearned Revenues

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

K. Compensated Absences

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

All 12-month employees earn from 10 to 18 days of sick leave each year that can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

K. Compensated Absences (Continued)

The 12-month employees earn 12 to 18 days of vacation leave each year. Employees hired before July 1, 1994 can accumulate without limitation. Upon separation of employment, employees are paid for vacation time. Employees hired on or after July 1, 1994 cannot accumulate more than 50 annual leave days. Upon separation of employment, employees are paid for vacation time. Employees hired on or after July 1, 2005 can accumulate up to 25 annual leave days. The employee will be compensated at his/her daily rate of pay for unused days in excess of 25. Employees hired prior to July 1, 2005 may elect to remain under their current annual leave policy or move to the new policy for employees hired on or after July 1, 2005.

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

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

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

GASB Statement 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

Only the current portion of the liability for compensated absences is reported in the fund. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

L. Long-Term Liabilities

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

The School Board provides certain continuing medical, dental, vision, and life insurance benefits for its retired employees. The other postemployment benefit (OPEB) plan is a single-employer defined benefit "substantive plan" as understood by past practices of the School Board.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Deferred Outflows/Inflows of Resources

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

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

Refer to Note 7 for information on deferred outflows and inflows of resources related to pensions.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

N. Restricted Net Position

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

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed. Restricted net position reported on the statement of net position as debt service, employee salaries, benefits and retiree insurance, school operations, and facility improvements are restricted by enabling legislation.

O. Fund Equity of Fund Financial Statements

GASB Statement 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

O. Fund Equity of Fund Financial Statements (Continued)

5. *Unassigned* - Fund balance that is the residual classification for the General Fund. A negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amount restricted, committed, or assigned to those purposes.

The School Board would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

P. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

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

Q. Sales Taxes

The School Board is authorized to collect a one-cent sales tax within Bienville Parish. The tax has no expiration date. The proceeds from the tax are used for salaries and retirement benefits for school teachers and other school employees and/or for maintaining and operating school buildings, facilities, and equipment, and is recorded in the General Fund. The costs of collecting and administering the tax are paid from the Sales Tax Agency Fund.

On August 2, 1994, the voters of Bienville Parish approved the assessment of a one percent parish-wide sales tax, which is recorded as revenue in the Special Sales Tax Fund. The net revenues from the tax are used to pay for the maintenance and operation of the parish schools and for capital improvements to the parish schools. The tax is collected by the School Board and has no expiration date.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

R. Use of Estimates

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

Note 2. Stewardship, Compliance, and Accountability

Excess of Expenditures Over Appropriations in Individual Funds

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2017:

Fund	Budget	Actual	Variance
General Fund	\$ 7,688,761	\$ 8,022,063	\$ (333,302)
23 Mill Fund	13,742,548	14,133,535	(390,987)
Special Sales Tax Fund	2,019,021	2,120,114	(101,093)
Employee Benefits Fund	3,002,126	3,005,599	(3,473)

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision.

Note 3. Levied Taxes

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

The Bienville Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly. The calendar for the fiscal year is as follows:

Board Levy Date	October 6, 2016
Tax Bills Mailed	November 18, 2016
Due Date	December 31, 2016
Tax Sales Date - 2016 Delinquent Property	May 15, 2017

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 3. Levied Taxes (Continued)

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

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

After 1978, a revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll for 2016. Total assessed value was \$363,072,730 in calendar year 2016. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$16,581,333 of the assessed value in calendar year 2015.

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

All property taxes are recorded in the General Fund, special revenue funds, and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2016 property taxes occurs in December, January, and February of the next year. The School Board considers the date the tax roll is delivered to the tax collector as the legally enforceable date for recognition of property taxes. Accordingly, the 2016 property taxes are recognized in the 2016 - 2017 fiscal year.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 3. Levied Taxes (Continued)

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

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

	Adjusted Maximum Millage	Levied Millage
Parish-Wide Taxes		
Constitutional	5.88	5.88
Maintenance	7.79	7.79
Repair and Upkeep	7.79	7.79
Employee Benefits	12.86	12.86
Employee Benefits and Retirees' Insurance	24.62	24.62
District Sinking Fund Taxes		
School District #2	Variable	6.00
School Districts #4 and #5	Variable	2.00
School Districts #16 - #37	Variable	70.00
School District #33	Variable	8.00

Note 4. Deposits and Investments

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that the Governmental Accounting Standards Board (GASB) require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 4. Deposits and Investments (Continued)

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

Governmental Funds

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School Board's deposits may not be recovered. At year-end, the School Board's carrying amount of deposits was \$32,150,604 (Statement A - Cash and cash equivalents of \$11,982,135, Investments (Certificates of Deposits) of \$18,952,526, and Statement G (Agency Fund) - Cash and Cash Equivalents of \$1,215,943, and the bank balance was \$31,906,925. Of the bank balance, \$28,119,056 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The School Board had \$3,787,869 of the bank balance collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, LRS 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's policy does not address custodial credit risk.

The School Board has reported its investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at June 30, 2017. Fair value was determined by obtaining "quoted" year-end market prices.

As of June 30, 2017, the School Board's investments are maintained by a custodial bank for the repayment of the Qualified School Construction Bond upon maturity. This account had a fair value of \$802,518, as of June 30, 2017:

<u>Description of Investment</u>	<u>Fair Value</u>	<u>Fair Market Value Hierarchy</u>	<u>Interest Rate Risk</u>
Money Market Account	\$ 137,816	N/A	>10
U.S. Treasury State and Local Government	376,768	Level 2	>10
U.S. Treasury Strips	<u>287,933</u>	Level 2	>10
Total	<u>\$ 802,517</u>		

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

Credit Rate Risk. The School Board's current year investments were in certificates of deposit which do not have credit ratings. The School Board's policy does not address credit rate risk.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 4. Deposits and Investments (Continued)

Other Postemployment Benefits Trust Fund

The School Board follows state law regarding investments in postemployment benefits funds by political subdivisions, LRS 33:5161 and LRS 33:5162. In summary, funds may be invested in direct U.S. Treasury Obligations, debt which is issued or guaranteed by federal agencies and backed by the full faith and credit of the U.S., direct security repurchase agreements of any federal book-entry only securities, debt issued by corporations of the U.S. which are rated Baa or better by Moody's, Inc. or BBB or better by Fitch or Standard and Poor's Corporation, money market mutual funds, or Louisiana Asset Management Pool.

Interest Rate Risk. State law does not address specific policies for managing interest rate risk. The following table provides information about interest rate risk associated with the other postemployment benefits trust fund.

Description of investment	Fair Value	Fair Market Value Hierarchy	Credit Risk	Interest Rate Risk
U. S. Agency Bonds	\$ 4,549,106	Level 2	AA (S&P)	1-3
U. S. Agency Bonds	1,543,778	Level 2	AA (S&P)	3-5
U. S. Agency Bonds	496,435	Level 2	AA (S&P)	5-7
U. S. Treasury Note	501,055	Level 1	AA (S&P)	5-7
Corporate Bonds	303,453	Level 1	AA (S&P)	0-1
Corporate Bonds	663,640	Level 1	AA (S&P)	3-5
Corporate Bonds	201,280	Level 2	A (S&P)	0-1
Corporate Bonds	931,512	Level 2	A (S&P)	1-3
Corporate Bonds	1,873,893	Level 1	A (S&P)	3-5
Corporate Bonds	514,425	Level 2	A (S&P)	3-5
Corporate Bonds	869,786	Level 1	A (S&P)	5-7
Corporate Bonds	50,000	Level 2	BBB (S&P)	0-1
Corporate Bonds	375,295	Level 1	BBB (S&P)	0-1
Corporate Bonds	1,770,350	Level 1	BBB (S&P)	1-3
Corporate Bonds	1,801,831	Level 2	BBB (S&P)	1-3
Corporate Bonds	2,564,829	Level 1	BBB (S&P)	3-5
Corporate Bonds	1,383,994	Level 2	BBB (S&P)	3-5
Corporate Bonds	414,824	Level 1	BBB (S&P)	5-7
Corporate Bonds	397,580	Level 2	BBB (S&P)	5-7
Total	<u>\$ 21,207,066</u>			

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 4. Deposits and Investments (Continued)

Other Postemployment Benefits Trust Fund (Continued)

Custodial Credit Risk. The School Board's policy regarding custodial credit risk is that funds on deposit shall be collateralized at an amount at all times equal to 100% by pledged "approved securities" as specified by LRS 39:1225 as amended to adequately protect the funds of the School Board. Cash of \$302,264 is held in a trust account.

Credit Rate Risk. The credit risk of the other postemployment benefits trust fund is managed by restricting investments to those authorized by LRS 33:5162.

Concentration of Credit Risk. LRS 33:5162 provides that all fixed income investments shall be appropriately diversified by maturity, security, sector, and credit quality. At June 30, 2017, no more than 5% of the other postemployment benefits trust fund's total investments were investments in any single issuer.

Note 5. Receivables

The receivables at June 30, 2017, were as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>23 Mill</u>	<u>Special Sales Tax</u>	<u>Employee Benefits</u>	<u>Non-Major Governmental</u>	<u>Total</u>
Taxes:						
Sales and Use	\$ 367,866	\$ -	\$ 383,619	\$ -	\$ 23,279	\$ 774,764
Intergovernmental - Grants:						
Federal	-	-	-	-	507,690	507,690
State	15,606	-	-	-	67,905	83,511
Other	88,614	3,447	-	6,401	3,628	102,090
Total	\$ 472,086	\$ 3,447	\$ 383,619	\$ 6,401	\$ 602,502	\$ 1,468,055

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 6. Capital Assets

Capital asset balances and activity for the year ended June 30, 2017, is as follows:

Governmental Activities	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets, Not Being Depreciated				
Land	\$ 180,586	\$ -	\$ -	\$ 180,586
Construction in Progress	2,266,429	136,919	194,343	2,209,005
Total Capital Assets, Not Being Depreciated	<u>2,447,015</u>	<u>136,919</u>	<u>194,343</u>	<u>2,389,591</u>
Capital Assets, Being Depreciated				
Buildings and Improvements	32,686,210	210,241	-	32,896,451
Furniture and Equipment	4,482,020	77,110	969	4,558,161
Transportation Equipment	4,936,534	387,997	-	5,324,531
Total Capital Assets, Being Depreciated	<u>42,104,764</u>	<u>675,348</u>	<u>969</u>	<u>42,779,143</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	13,379,834	1,211,778	-	14,591,612
Furniture and Equipment	4,430,921	36,880	969	4,466,832
Transportation Equipment	3,575,571	483,422	-	4,058,993
Total Accumulated Depreciation	<u>21,386,326</u>	<u>1,732,080</u>	<u>969</u>	<u>23,117,437</u>
Total Capital Assets Being Depreciated, Net	<u>20,718,438</u>	<u>(1,056,732)</u>	<u>-</u>	<u>19,661,706</u>
Governmental Activities Capital Assets, Net	<u>\$ 23,165,453</u>	<u>\$ (919,813)</u>	<u>\$ 194,343</u>	<u>\$ 22,051,297</u>

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 1,211,778
General Administration	2,340
Operations and Maintenance	13,972
Student Transportation	467,942
Food Services	36,048
Total Depreciation Expense	<u><u>\$ 1,732,080</u></u>

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 7. Pension Plans

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

General Information about the Pension Plans

Plan Descriptions/Benefits Provided

Louisiana School Employees' Retirement System

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

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

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Louisiana School Employees' Retirement System (Continued)

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

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

Teachers' Retirement System of Louisiana

TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in LRS 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:761. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Plan Descriptions/Benefits Provided (Continued)

Teachers' Retirement System of Louisiana (Continued)

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 30 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 years of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. 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 January 1, 2011, or the highest 60 consecutive months of employment for members employed after that date.

Under LRS 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. Members employed prior to January 1, 2011 receive disability benefits equal to 2-1/2% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in LRS 11:762. In order for survivor benefits to be paid, the deceased member must have been in state service at the time of death and must have a minimum of 5 years of service, at least 2 of which were earned immediately prior to death, or must have had a minimum of 20 years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2-1/2% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full time student. The minimum service credit requirement is 10 years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

General Information about the Pension Plans (Continued)

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the 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.

Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost-of-living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions are used to fund the TRSL defined benefit plans' unfunded accrual liability.

Employer contributions to LSERS for fiscal year 2017, were \$433,963, with active member contributions ranging from 7.5% to 8%, and employer contributions of 27.3%. Employer defined benefit plan contributions to TRSL for fiscal year 2017, were \$3,787,524, with active member contributions ranging from 5% to 8%, and employer contributions of 25.5%. Non-employer contributions to TRSL from ad valorem taxes and revenue sharing funds were \$390,097, for fiscal year 2017. These non-employer contributions were recorded as revenue and were used as employer contributions.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

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

At June 30, 2017, the School Board reported liabilities of \$4,300,902 and \$38,338,163 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2016, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2016, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were .570149%, or a decrease of .068%, for LSERS, and .32664%, or a decrease of .017%, for TRSL.

Changes in Benefit Terms: ACT 226 of the Legislative Session changed the benefit terms for members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015. ACT 226 raised the retirement age requirement to receive a 2.5% benefit factor after 5 years of service to 62 years of age from the 60 years of age requirement for members hired after June 30, 2010 for LSERS and after January 1, 2011 for TRSL. This change was reflected in the June 30, 2016 valuation.

For the year ended June 30, 2017, the School Board recognized a total pension expense of \$4,230,474, or \$319,162 and \$3,911,312 for LSERS and TRSL, respectively. The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences Between Expected and Actual Experience	\$ -	\$ -	\$ -	\$ 117,368	\$ 756,902	\$ 874,270
Changes of Assumptions	-	-	-	11,788	-	11,788
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	544,853	2,790,929	3,335,782	-	-	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	272,332	1,481,681	1,754,013	72,967	-	72,967
Employer Contributions Subsequent to the Measurement Date	433,963	4,177,621	4,611,584	-	-	-
Total	\$ 1,251,148	\$ 8,450,231	\$ 9,701,379	\$ 202,123	\$ 756,902	\$ 959,025

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

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

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30,	Amortization Amounts		
	LSERS	TRSL	Total
2018	\$ 73,167	\$ 927,670	\$ 1,000,837
2019	111,248	927,671	1,038,919
2020	256,958	1,324,703	1,581,661
2021	173,689	335,664	509,353

Actuarial Assumptions

The total pension liabilities for LSERS and TRSL in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	LSERS	TRSL
Valuation Date	June 30, 2016	June 30, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	7.125%, net of investment expense, including inflation	7.75%, net of investment expense
Inflation Rate	2.625% per annum	2.50% per annum
Projected Salary Increases	3.075% - 5.375% (varies depending on duration of service)	3.50% - 10.00% (varies depending on duration of service)
Cost-of-Living Adjustments	None	None
Mortality	RP-2000 Combined Healthy Sex Distinct Mortality Table	RP-2000 Mortality Table with projection to 2025 using Scale AA
Termination, Disability, Retirement	Projected based on a five year (2008 - 2012) experience study	Projected based on a five year (2008 - 2012) experience study

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

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

Best estimates of arithmetic real rates of return for each major asset class included in TRSL's target asset allocation as of June 30, 2016, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00%	4.50%
International Equity	19.00%	5.31%
Domestic Fixed Income	14.00%	2.45%
International Fixed Income	7.00%	3.28%
Alternatives	29.00%	11.62%
	<u>100.00%</u>	

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk 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.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

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

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income	30.00%	1.82%
Equity	51.00%	3.10%
Alternative Investments	13.00%	0.79%
Real Assets	6.00%	0.36%
	<u>100.00%</u>	<u>6.07%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>8.07%</u>

Discount Rate. The discount rate used to measure the total pension liability was 7.12% for LSERS and 7.75% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive 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.

For LSERS, the discount rate used in the June 30, 2016 net pension liability valuation was increased from the 7.00% used in the June 30, 2015 valuation to 7.12%. The increase was made to account for the funding of administrative expenses out of investment earnings. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. In addition, the valuation model was revised. The long-term expected portfolio real rate of return (expected arithmetic nominal return) was decreased .27% in the June 30, 2016 valuation to 8.07% from the rate of 8.30% used in the June 30, 2015 valuation.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 7. Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
School Board's Proportionate Share of the LSERS Net Pension Liability	\$ 5,645,888	\$ 4,300,902	\$ 3,148,600
School System's Proportionate Share of the TRSL Net Pension Liability	47,819,424	38,338,163	30,270,251

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

Payables to the Pension Plan. At June 30, 2017, the School Board had \$42,175 and \$403,035 in payables to LSERS and TRSL, respectively, for the June 2017 employee and employer legally required contributions.

Note 8. Other Postemployment Benefits

Plan Description

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 8. Other Postemployment Benefits (Continued)

Funding Policy

The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree health care based on a rate schedule. Contribution amounts are determined by years of service and years of participation in the health care plan. Employer contribution rates range from 0% with 0 - 4.99 years of service to 100% with 20+ years of service, whereas employee contributions range from 100% with 0 - 4.99 years of service to 0% with 20+ years of service.

The plan is currently financed on a pay-as-you-go basis, with the School Board contributing \$1,736,311 for normal cost for 299 retirees for the year ended June 30, 2017.

Annual Other Postemployment Benefits Cost and Liability

The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented for the year ended June 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal costs each year and amortize any unfunded actuarial liabilities (UAL) over a period of 30 years. A 30-year amortization period (the maximum amortization period allowed by GASB 45) was used for postemployment benefits. The level dollar on a closed amortization basis was used. The total ARC for fiscal year 2017, is \$3,899,827 as set forth below:

Normal Cost	\$ 1,536,803
30-Year UAL Amortization Amount	2,213,031
Discount Rate Increase	<u>149,993</u>
Annual Required Contribution (ARC)	<u>\$ 3,899,827</u>

The following table presents the School Board's OPEB Obligation for fiscal years 2017, 2016, and 2015:

	2017	2016	2015
Beginning Net OPEB Obligation July 1,	\$ (1,122,233)	\$ (2,058,993)	\$ (3,232,425)
Annual Required Contribution	3,899,827	3,054,955	3,054,955
Interest on Prior Year Net OPEB Obligation	(44,889)	(129,823)	(129,297)
Adjustment to ARC	74,670	82,360	203,850
Annual OPEB Cost	<u>3,929,608</u>	<u>3,007,492</u>	<u>3,129,508</u>
Less Current Year Retiree Premiums	<u>(1,736,311)</u>	<u>(2,070,732)</u>	<u>(1,956,076)</u>
Increase in Net OPEB Obligation	<u>2,193,297</u>	<u>936,760</u>	<u>1,173,432</u>
Ending Net OPEB Obligation at June 30,	<u>\$ 1,071,064</u>	<u>\$ (1,122,233)</u>	<u>\$ (2,058,993)</u>

Utilizing the pay-as-you-go method, the School Board contributed 44% of the annual postemployment benefits cost during 2017, 69% during 2016, and 63% during 2015.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 8. Other Postemployment Benefits (OPEB) (Continued)

Funded Status and Funding Progress

The School Board's actuarial accrued liability of \$54,049,848 was partially funded. The actuarial value of assets used in this valuation is the market value as of June 30, 2017. The funded status of the plan, as determined by an actuary as of July 1, 2016, was as follows:

	2017	2016	2015
Actuarial Accrued Liability (AAL)	\$ 54,049,488	\$ 54,049,488	\$ 54,049,488
Actuarial Value of Plan Assets	20,789,945	20,789,945	20,789,945
Unfunded Actuarial Accrued Liability (UAAL)	\$ 33,259,543	\$ 33,259,543	\$ 33,259,543
Funded Ratio (Actuarial Value of Plan Assets/AAL)	38.46%	38.46%	38.46%
Covered Payroll	\$ 17,972,435	\$ 17,972,435	\$ 17,972,435
UAAL as a Percentage of Covered Payroll	185.06%	185.06%	185.06%

The schedule of funding progress and schedule of employer contributions required supplementary information follows the notes. The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 8. Other Postemployment Benefits (OPEB) (Continued)

Actuarial Methods and Assumptions (Continued)

In the July 1, 2016 Bienville Parish School Board actuarial valuation, the attained age actuarial cost method was used. The actuarial assumptions included a 4% rate of return on investments and a long-term inflation rate of 2.5%. The expected rate on increase in health care costs was based on Pre-Medicare and Medicare eligible graduated down from 9% to an ultimate annual rate of 5%. The RP 2014 Mortality Table projected to 2024 with Scale BB was used in making actuarial assumptions in regards to mortality rates. The remaining amortization period at June 30, 2017 for other postemployment benefits was 22 years.

For Teachers:

The withdrawal rate assumptions range from 10% at age 20 to 4% at age 70. Disability rates range from 0% at age 20 to .2% at age 70 with the highest rate of .8% at age 60. The retirement assumptions range from 0% at age 20 to 100% at age 70.

For School Employees:

The withdrawal rate assumptions range from 15% at age 20 to 4% at age 70. The disability rates range from 0% at age 20 to .4% at age 70 with the highest rate of .7% at age 54. The retirement assumptions range from 0% at age 20 to 100% at age 70.

GASB Statement No. 74

For the year ended June 30, 2017, the School Board adopted GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*. The objective of GASB Statement No. 74 is to improve the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial statements of OPEB plans for making decisions and assessing accountability. In addition, as GASB Statement No. 74 requires the use of the entry age actuarial cost method, the following information is prepared using that actuarial cost method for the year ended June 30, 2017.

The components of the net OPEB liability of the School Board at June 30, 2017, were as follows:

Total OPEB Liability	\$ 63,947,914
Plan Fiduciary Net Position	<u>21,433,069</u>
Net OPEB Liability	<u>\$ 42,514,845</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u>33.52%</u>

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 8. Other Postemployment Benefits (OPEB) (Continued)

GASB Statement No. 74 (Continued)

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the actuarial assumptions applied to all periods included in the measurement unless otherwise specified:

Inflation	2.0%
Salary Increases, Average Including Inflation	5.0%
Investment Rate of Return	7.0%
Healthcare Cost Trend Rates	9.0% per year for 2017, decreasing to an ultimate rate of 5.5% in 2025

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current discount rate:

	1.0% Decrease	Discount Rate 4%	1.0% Increase
Net OPEB Liability	<u>\$ 55,608,977</u>	<u>\$ 42,514,845</u>	<u>\$ 32,422,913</u>

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate: The following presents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if calculated using a health care cost trend rate that is 1% lower (8% decreasing to 4%) or 1% higher (10% decreasing to 6%) than the current health care cost trend rate:

	1.0% Decrease	Healthcare Cost Trend Rates 9% Decreasing to 5%	1.0% Increase
Net OPEB Liability	<u>\$ 55,946,910</u>	<u>\$ 42,514,845</u>	<u>\$ 31,984,392</u>

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 9. Compensated Absences

At June 30, 2017, employees of the School Board have accumulated and vested \$1,297,025 of employee leave benefits. These employee benefits were computed in accordance with GASB Codification Section C60.

Note 10. Agency Fund Deposits Due Others

A summary of changes in agency fund deposits due others for the year ended June 30, 2017, is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Agency Funds				
School Activities Agency	\$ 372,414	\$ 1,048,164	\$ 1,070,800	\$ 349,778
Sales Tax Agency	1,311,300	8,322,440	8,035,913	1,597,827
Sales Taxes Paid Under Protest	5,005	17	-	5,022
Total	\$ 1,688,719	\$ 9,370,621	\$ 9,106,713	\$ 1,952,627

Note 11. Sales Tax Collections and Disbursements (Cash Basis)

The following are schedules of the sales tax collections and disbursements on a cash basis collected on behalf of payments made to local governmental entities for the fiscal year ended June 30, 2017:

	Total Collection	Collection Fees	Attorney and Audit Fees	Total Disbursements
Town of Arcadia (2%)	\$ 2,040,069	\$ 30,601	\$ 6,657	\$ 2,002,811
Town of Gibsland (2%)	78,179	1,173	9	76,997
Town of Ringgold (2%)	344,041	5,161	24	338,856
Bienville Parish School Board (2%)	3,842,927	57,643	5,873	3,779,411
Bienville Parish Police Jury (1%)	1,921,452	28,822	2,936	1,889,694
Village of Castor (1%)	54,983	914	17	54,052
Village of Saline (1%)	25,013	375	10	24,628
Total	\$ 8,306,664	\$ 124,689	\$ 15,526	\$ 8,166,449

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 12. Long-Term Liabilities

The following is a summary of the long-term obligation transactions for the year ended June 30, 2017:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable					
General Obligation Debt	\$ 8,247,000	\$ -	\$ 1,001,000	\$ 7,246,000	\$ 1,041,000
QSCB Revenue Bond	2,000,000	-	-	2,000,000	-
Other Liabilities					
QZAB Payable	240,000	-	120,000	120,000	120,000
Compensated Absences	1,343,888	-	46,863	1,297,025	720,292
Claims Payable	120,502	-	6,560	113,942	120,502
OPEB Liability	-	1,071,064	-	1,071,064	-
Net Pension Liability	41,100,569	1,538,496	-	42,639,065	-
Governmental Activities					
Long-Term Liabilities	\$ 53,051,959	\$ 2,609,560	\$ 1,174,423	\$ 54,487,096	\$ 2,001,794

The compensated absences liability, claims payable, and the Qualified Zone Academy Bond (QZAB) liability attributable to the governmental activities will be liquidated 100% by the General Fund. The Qualified School Construction Bond (QSCB) will be paid by the General Fund from a levy and collections of a constitutional tax which the School Board is authorized to impose and collect each year.

Individual obligation issues are as follows:

Bond	Bond Issue Date	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
District #33	Aug. 1, 2011	\$ 3,700,000	2.00% - 4.00%	Mar. 1, 2026	\$ 514,263	\$ 2,760,000
Districts #4 and 5	Dec. 6, 2012	2,014,000	0.57% - 1.82%	Mar. 1, 2018	7,664	421,000
District #2	Sept. 17, 2014	2,500,000	2.00% - 3.00%	Mar. 1, 2029	397,675	2,095,000
Districts #16 - 37	May 1, 2010	3,175,000	2.00% - 4.00%	Mar. 1, 2025	369,114	1,970,000
					1,288,716	7,246,000
QSCB Revenue Bond	June 15, 2011	2,000,000	0.60%	June 15, 2026	108,000	2,000,000
Loan Payable						
QZAB	Oct. 31, 2007	1,200,000	0%	Oct. 31, 2017	-	120,000
Total						\$ 9,366,000

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 12. Long-Term Liabilities (Continued)

In October 2007, the School Board received \$1,200,000 from Qualified Zone Academy Bonds. The Qualified Zone Academy Bond Program is a federal program offered to school districts to acquire interest-free debt for selected projects. The federal government covers all the interest on the bonds.

Pledged Revenue. In June 2011, the School Board issued \$2,000,000 QSCB taxable revenue bonds at an annual interest rate of .6% to finance construction, rehabilitation, and repair of public school facilities. According to the QSCB revenues bonds, the School Board is required to make annual deposits into a debt service fund (sinking fund) held by Whitney Bank (the paying agent) in order to attain the set required principal account values. The School Board is required to also make the necessary deposits in another sinking fund to cover interest payments due on the bond. The Escrow Agent is responsible for paying off the \$2,000,000 in June 2026 from the sinking fund. The School Board has pledged revenue solely from the constitutional tax collected which is payable through 2026. The annual principal and interest payments are estimated to be 7.2% of the tax revenue over the next 11 years. Total principal and interest remaining to be paid to the debt service fund is \$1,201,622 and \$110,380, respectively.

All principal and interest requirements for the general obligation bonds are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the Parish. At year end, the School Board has accumulated \$1,905,191 in the debt service funds for future debt requirements. The bonds are due as follows:

Years Ending June 30,	General Obligation Bonds				
	QZAB Loan Principal Payments	QSCB Bond Principal Payments	Principal Payments	Interest Payments	Total
2018	\$ 120,000	\$ -	\$ 1,041,000	\$ 245,514	\$ 1,406,514
2019	-	-	645,000	218,550	863,550
2020	-	-	665,000	198,450	863,450
2021	-	-	695,000	177,750	872,750
2022	-	-	720,000	155,302	875,302
2023-2027	-	2,000,000	3,070,000	382,550	5,452,550
2028-2029	-	-	410,000	18,600	428,600
Total	\$ 120,000	\$ 2,000,000	\$ 7,246,000	\$ 1,396,716	\$ 10,762,716

In accordance with LRS 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At year-end, the statutory limit was \$173,925,131 and outstanding net bonded debt totaled \$6,143,327.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 13. Interfund Transactions (FFS Level Only)

Interfund receivables/payables at June 30, 2017, were as follows:

Receivable Fund	Amount	Payable Fund	Amount
General Fund	<u>\$ 244,830</u>	Non-Major Governmental	<u>\$ 244,830</u>

The purpose of interfund assets/liabilities was to cover expenses in cost reimbursement programs until the reimbursement requisitions are deposited.

Interfund transfers at June 30, 2017, were as follows:

Transfer In	Amount	Transfer Out	Amount
Non-Major Governmental	<u>\$ 520,412</u>	General Fund	<u>\$ 520,412</u>

The purpose of the transfers was to clear expected deficit balances in the Consolidated Sales Tax Expense and School Food Service Special Revenue Funds, transfer the required QSCB payment to the Debt Service Fund, and clear the prior year deficit in the QSCB Capital Projects Fund.

Note 14. Fund Balances Classification Details

The following are details of the fund balance classifications:

	General	23 Mill	Special Sales Tax	Employee Benefits	Non-Major Governmental	Total
Nonspendable						
Inventory	\$ -	\$ -	\$ -	\$ -	\$ 94,855	\$ 94,855
Restricted for:						
Employees' Salaries, Benefits, and Retirees' Insurance	-	7,095,632	-	8,924,761	-	16,020,393
School Operations	-	-	599,765	-	-	599,765
Facility Improvements	-	-	-	-	930,601	930,601
Capital Projects	-	-	-	-	423,517	423,517
Debt Service	-	-	-	-	1,905,191	1,905,191
Food Services	-	-	-	-	161,863	161,863
Sales Tax Collection	-	-	-	-	23,902	23,902
Unassigned	<u>8,293,892</u>	-	-	-	-	<u>8,293,892</u>
Total	<u>\$ 8,293,892</u>	<u>\$ 7,095,632</u>	<u>\$ 599,765</u>	<u>\$ 8,924,761</u>	<u>\$ 3,539,929</u>	<u>\$ 28,453,979</u>

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 15. Risk Management

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago. Premiums are paid into the General Fund by all other funds and are available to pay claims, claim reserves, and administrative costs of the program. As of June 30, 2017, such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$400,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information and does not include incremental costs. The total liability at June 30, 2017, was \$113,942.

Years Ending June 30,	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Ending of Fiscal Year Liability
2017	\$ 128,438	\$ 56,119	\$ 70,615	\$ 113,942
2016	73,787	195,053	140,402	128,438
2015	24,146	290,903	241,262	73,787

The balance of \$113,942 is reported as long-term debt in the statement of net position, in which the full amount is reported as due within one year.

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 16. Litigation and Claims)

At June 30, 2017, the Bienville Parish Tax Agency was involved in two litigations. These two lawsuits are in regard to vendors requesting tax refunds in the amount of \$662,828. The School Board's portion of this request would be approximately \$320,000. It is the opinion of legal counsel for the Tax Agency that the ultimate resolution of both suits is uncertain. No liability is recorded for this contingency.

Self-Insurance

The School Board is partially self-insured for workers' compensation. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$400,000 per occurrence for each employee. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the financial statements.

Grant Disallowances

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

Tax Arbitrage Rebate

Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year-end.

Construction Contracts

The School Board has ongoing construction projects for Castor High School additions and alterations and alterations to Saline High School. The total of the construction contracts is \$3,535,627 of which \$1,268,398 was the remaining construction commitments at June 30, 2017.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 17. On-Behalf Payments for Fringe Benefits and Salaries

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments. The State of Louisiana made pension contributions (regarding the Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$4,883. This amount was recognized as state revenue and as a corresponding expenditure in the applicable fund from which the salary was paid.

Note 18. Economic Dependency

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on the October 1 student count. The state provided \$6,449,818 to the School Board, which represents approximately 18% of the School Board's total revenue for the year.

Note 19 Tax Abatements

The Louisiana Economic Development Corporation provides incentives for economic development which include an industrial ad valorem tax exemption for up to ten years. During the year ended June 30, 2017, there were 22 tax abatements in Bienville Parish. During the year ended June 30, 2017, the total School Board's ad valorem taxes abated were \$798,815.

Note 20. New GASB Standards

In fiscal year 2017, the School Board adopted two new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *GASB Statement No. 74 - Financial Reporting for Postemployment Benefit Plans other than Pensions.* The objective of the Statement is to improve the usefulness of information about postemployment benefits other than pensions (OPEB) included in the general purpose external financial statements of state and local governmental OPEB plans for making decisions and assessing accountability. The Statement was adopted by the School Board for the year ended June 30, 2017.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to the Basic Financial Statements

Note 20. New GASB Standards (Continued)

- *GASB Statement No. 77 - Tax Abatement Disclosures.* The Statement provides for disclosure of tax abatements in the financial statements of governments. The Statement was adopted by the School Board for the year ended June 30, 2017.
- *GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits other than Pensions.* The principal objective of this Statement is to improve the usefulness for decisions made by the various users of general purpose external financial reports of governments whose employees - both active and inactive - are provided with postemployment benefits other than pensions. The Statement is effective for fiscal years beginning after June 15, 2017. As a result, this Statement will be adopted during the year ending June 30, 2018. Management expects the adoption of the Statement to have a substantial impact on the financial reporting of the School Board. Management estimates the impact to decrease net position of the government-wide financial statements by \$41.4 million.

Note 21. Subsequent Events

On October 14, 2017, the voters approved a proposition authorizing the School Board to issue bonds in the amount of not exceeding \$22,000,000 for District 1 to be payable from ad valorem taxes to be levied with an estimated 21.25 mills to be levied in the first year.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Funding Progress for
 Other Postemployment Benefit Plan
 For the Year Ended June 30, 2017**

Exhibit 1-1

Fiscal Year End	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	(b-a/c) UAAL as a Percentage of Covered Payroll
6/30/2009	7/1/2008	\$ -	\$ 60,107,081	\$ 60,107,081	0.00%	\$ 17,019,358	353.17%
6/30/2010	7/1/2008	-	60,107,081	60,107,084	0.00%	17,744,181	338.74%
6/30/2011	7/1/2010	10,074,260	54,954,216	44,879,956	18.33%	15,585,960	287.95%
6/30/2012	7/1/2010	20,212,831	54,954,216	34,741,385	36.78%	18,760,408	185.18%
6/30/2013	7/1/2012	20,263,571	54,480,430	34,216,859	37.19%	17,398,735	196.66%
6/30/2014	7/1/2012	20,999,992	54,480,430	33,480,438	38.55%	17,372,512	192.72%
6/30/2015	7/1/2014	20,881,948	46,980,496	26,098,548	44.45%	18,780,791	138.96%
6/30/2016	7/1/2014	21,638,784	46,980,496	25,341,712	46.06%	17,904,272	141.54%
6/30/2017	7/1/2016	20,789,945	54,049,848	33,259,543	38.46%	16,442,643	202.28%

See accompanying independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Employer Contributions for
 Other Postemployment Benefit Plan
 For the Year Ended June 30, 2017**

Exhibit 1-2

Years Ended June 30,	Annual Required Contribution	Percentage Contributed
2009	\$ 5,686,262	35.9%
2010	5,686,262	34.9%
2011	4,934,762	240.1%
2012	4,934,762	241.1%
2013	3,451,764	55.2%
2014	3,451,764	57.8%
2015	3,054,955	64.0%
2016	3,054,955	67.8%
2017	3,899,827	44.5%

See accompanying independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Employer's Proportionate Share
 of the Net Pension Liability
 For the Years Ended June 30, 2017, 2016, and 2015**

Exhibit 1-3

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Louisiana School Employees' Retirement System					
2015	0.647200%	\$ 3,757,919	\$ 1,839,543	204%	76.18%
2016	0.638535%	4,049,126	1,780,848	227%	74.49%
2017	0.570149%	4,300,902	1,589,608	271%	70.09%
Teacher's Retirement System of Louisiana					
2015	0.32958%	\$ 33,687,978	\$ 14,791,175	228%	63.7%
2016	0.34459%	37,051,443	16,084,561	230%	62.5%
2017	0.32664%	38,338,163	16,382,827	234%	59.5%

NOTES:

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

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

See accompanying independent auditor's report.

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Schedule of Employer's Contributions
for Pension Plans
For the Years Ended June 30, 2017, 2016, and 2015

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
Louisiana School Employees' Retirement System					
2015	\$ 576,177	\$ 576,177	\$ -	\$ 1,780,848	32.4%
2016	488,639	488,639	-	1,620,887	30.1%
2017	433,963	433,963	-	1,589,608	27.3%
Teacher's Retirement System of Louisiana					
2015	\$ 4,923,619	\$ 4,923,619	\$ -	\$ 16,084,561	30.6%
2016	4,096,613	4,096,613	-	15,567,644	26.3%
2017	4,177,621	4,177,621	-	16,382,827	25.5%

NOTES:

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

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

See accompanying independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Notes to Required Supplementary Information for Pensions

Louisiana School Employees' Retirement System

Changes in Benefit Terms: 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 the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Changes in Assumptions: For amounts reported in 2016, the valuation investment rate of return was increased from the 7.00% reported in 2017 to 7.12%. The reduction was made to account for the funding of administrative expenses out of investment earnings. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. In addition, the valuation model was revised. The long-term expected portfolio real rate of return (expected arithmetic nominal return) was decreased .23% in 2017 to 8.07% from the rate of 8.30% used in the 2016 valuation.

Teachers' Retirement System of Louisiana

Changes in Benefit Terms: 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 the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after January 1, 2011.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Budgetary Comparison Schedules
Major Fund Descriptions
General Fund and Major Special Revenue Funds
with Legally Adopted Annual Budgets
For the Year Ended June 30, 2017**

GENERAL FUND

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

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

23 Mill - The parish-wide school district of the Parish of Bienville, State of Louisiana (the District), shall levy a twenty-three (23) mills tax on all property subject to taxation in the District for a period of ten (10) years, beginning with the year 2012 and ending with the year 2021, for the payment of costs of employee benefits and retiree insurance.

Special Sales Tax - This fund accounts for the proceeds of a one percent parish-wide sales and use tax for maintaining and operating the parish schools and for capital improvements.

Employee Benefits - The Employee Benefit Fund accounts for a nine (9) mills parish-wide ad valorem tax received for the purpose of paying salaries and benefits for employees and retirees of the Bienville Parish School Board.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2017**

Exhibit 1-5

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local Sources:				
Taxes:				
Ad Valorem	\$ 5,075,675	\$ 4,966,364	\$ 4,585,580	\$ (380,784)
Sales Taxes	1,800,000	1,800,000	2,314,447	514,447
Interest Earnings	3,750	12,250	42,706	30,456
Other	152,350	130,100	358,891	228,791
Total Local Sources	<u>7,031,775</u>	<u>6,908,714</u>	<u>7,301,624</u>	<u>392,910</u>
State Sources:				
Equilization	6,117,191	6,206,331	6,178,688	(27,643)
Other	285,692	294,692	370,749	76,057
Total State Sources	<u>6,402,883</u>	<u>6,501,023</u>	<u>6,549,437</u>	<u>48,414</u>
Total Revenues	<u>13,434,658</u>	<u>13,409,737</u>	<u>13,851,061</u>	<u>441,324</u>
Expenditures				
Current:				
Instruction:				
Regular Programs	6,776,455	1,307,002	1,219,875	87,127
Special Programs	2,026,536	2,276,586	2,178,497	98,089
Other Instructional Programs	1,689,753	1,394,095	1,394,861	(766)
Support Services:				
Student Services	1,011,310	1,189,940	1,411,767	(221,827)
Instructional Staff Support	180,780	201,830	114,985	86,845
General Administration	224,617	224,617	605,347	(380,730)
School Administration	141,156	130,827	81,867	48,960
Business Services	16,052	16,052	6,815	9,237
Plant Services	77,423	68,906	160,350	(91,444)
Student Transportation Services	224,938	322,572	326,963	(4,391)
Food Service Operations	210,203	241,713	212,675	29,038
Community Service Programs	17,850	17,850	-	17,850
Capital Outlays	-	-	178,441	(178,441)
Debt Service:				
Principal Retirement	284,771	284,771	120,000	164,771
Interest and Bank Charges	12,000	12,000	9,620	2,380
Total Expenditures	<u>12,893,844</u>	<u>7,688,761</u>	<u>8,022,063</u>	<u>(333,302)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>540,814</u>	<u>5,720,976</u>	<u>5,828,998</u>	<u>108,022</u>
Other Financing Sources (Uses)				
Transfers In	92,300	92,300	75,588	(16,712)
Transfers Out	(425,000)	(450,000)	(596,000)	(146,000)
Total Other Financing Sources (Uses)	<u>(332,700)</u>	<u>(357,700)</u>	<u>(520,412)</u>	<u>(162,712)</u>
Net Change in Fund Balance	<u>208,114</u>	<u>5,363,276</u>	<u>5,308,586</u>	<u>(54,690)</u>
Fund Balance - Beginning	<u>2,163,814</u>	<u>2,985,306</u>	<u>2,985,306</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 2,371,928</u>	<u>\$ 8,348,582</u>	<u>\$ 8,293,892</u>	<u>\$ (54,690)</u>

See notes to required supplementary information and independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 23 Mill Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2017**

Exhibit 1-6

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local Sources:				
Taxes:				
Ad Valorem	\$ 8,723,675	\$ 8,250,832	\$ 8,258,741	\$ 7,909
Interest Earnings	20,000	39,000	43,853	4,853
Total Local Sources	<u>8,743,675</u>	<u>8,289,832</u>	<u>8,302,594</u>	<u>12,762</u>
Total Revenues	<u>8,743,675</u>	<u>8,289,832</u>	<u>8,302,594</u>	<u>12,762</u>
Expenditures				
Current:				
Instruction:				
Regular Programs	4,698,820	9,846,350	10,201,250	(354,900)
Special Programs	79,500	69,480	90,530	(21,050)
Other Instructional Programs	69,000	129,850	131,771	(1,921)
Support Services:				
Student Services	16,578	16,578	17,895	(1,317)
Instructional Staff Support	235,760	234,660	244,255	(9,595)
General Administration	593,912	583,030	587,179	(4,149)
School Administration	1,315,200	1,253,100	1,267,248	(14,148)
Student Transportation Services	1,659,354	1,609,500	1,593,407	16,093
Total Expenditures	<u>8,668,124</u>	<u>13,742,548</u>	<u>14,133,535</u>	<u>(390,987)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>75,551</u>	<u>(5,452,716)</u>	<u>(5,830,941)</u>	<u>(378,225)</u>
Net Change in Fund Balance	<u>75,551</u>	<u>(5,452,716)</u>	<u>(5,830,941)</u>	<u>(378,225)</u>
Fund Balance - Beginning	<u>13,122,487</u>	<u>12,926,573</u>	<u>12,926,573</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 13,198,038</u>	<u>\$ 7,473,857</u>	<u>\$ 7,095,632</u>	<u>\$ (378,225)</u>

See notes to required supplementary information and independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Special Sales Tax Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2017**

Exhibit 1-7

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local Sources:				
Taxes:				
Sales Tax	\$ 1,800,000	\$ 1,800,000	\$ 1,921,194	\$ 121,194
Interest Earnings	1,200	1,200	1,382	182
Total Local Sources	<u>1,801,200</u>	<u>1,801,200</u>	<u>1,922,576</u>	<u>121,376</u>
Total Revenues	<u>1,801,200</u>	<u>1,801,200</u>	<u>1,922,576</u>	<u>121,376</u>
Expenditures				
Current:				
Instruction:				
Regular Programs	217,000	130,000	128,460	1,540
Special Programs	1,000	4,000	3,769	231
Other Instructional Programs			402	(402)
Support Services:				
Instructional Staff Support	36,000	36,000	37,394	(1,394)
General Administration	405,151	405,151	457,890	(52,739)
School Administration	19,500	19,500	26,665	(7,165)
Business Services	19,873	3,600	3,787	(187)
Plant Services	750,000	750,000	762,195	(12,195)
Student Transportation Services	724,270	670,770	434,646	236,124
Community Service Programs	-	-	4,500	(4,500)
Capital Outlay	-	-	260,406	(260,406)
Total Expenditures	<u>2,172,794</u>	<u>2,019,021</u>	<u>2,120,114</u>	<u>(101,093)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(371,594)</u>	<u>(217,821)</u>	<u>(197,538)</u>	<u>20,283</u>
Net Change in Fund Balance	<u>(371,594)</u>	<u>(217,821)</u>	<u>(197,538)</u>	<u>20,283</u>
Fund Balance - Beginning	<u>1,466,198</u>	<u>943,787</u>	<u>797,303</u>	<u>(146,484)</u>
Fund Balance - Ending	<u>\$ 1,094,604</u>	<u>\$ 725,966</u>	<u>\$ 599,765</u>	<u>\$ (126,201)</u>

See notes to required supplementary information and independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Employee Benefits Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2017**

Exhibit 1-8

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local Sources:				
Taxes:				
Ad Valorem Tax	\$ 4,500,000	\$ 4,310,000	\$ 4,313,867	\$ 3,867
Interest Earnings	10,000	23,000	39,361	16,361
Total Local Sources	<u>4,510,000</u>	<u>4,333,000</u>	<u>4,353,228</u>	<u>20,228</u>
Total Revenues	<u>4,510,000</u>	<u>4,333,000</u>	<u>4,353,228</u>	<u>20,228</u>
Expenditures				
Current:				
Instruction:				
Regular Programs	1,758,037	1,066,075	971,706	94,369
Special Programs	210,525	25,279	77,656	(52,377)
Other Instructional Programs	16,270	16,270	21,232	(4,962)
Support Services:				
Student Services	4,928	4,928	7,412	(2,484)
Instructional Staff Support	845,318	845,318	868,218	(22,900)
General Administration	260,073	260,073	235,606	24,467
School Administration	141,330	83,500	110,091	(26,591)
Business Services	391,463	408,138	412,562	(4,424)
Plant Services	33,045	33,045	37,574	(4,529)
Student Transportation Services	204,389	136,500	148,813	(12,313)
Food Services	123,000	123,000	114,729	8,271
Total Expenditures	<u>3,988,378</u>	<u>3,002,126</u>	<u>3,005,599</u>	<u>(3,473)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>521,622</u>	<u>1,330,874</u>	<u>1,347,629</u>	<u>16,755</u>
Net Change in Fund Balance	<u>521,622</u>	<u>1,330,874</u>	<u>1,347,629</u>	<u>16,755</u>
Fund Balance - Beginning	<u>7,682,971</u>	<u>7,577,132</u>	<u>7,577,132</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 8,204,593</u>	<u>\$ 8,908,006</u>	<u>\$ 8,924,761</u>	<u>\$ 16,755</u>

See notes to required supplementary information and independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2017**

Note 1. Budgets

General Budget Practices

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

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

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

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

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

Encumbrances

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

Budget Basis of Accounting

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

**Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2017**

Note 2. Excess Expenditures Over Appropriations

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2017:

	Fund Budget	Actual	Variance
General Fund	\$ 7,688,761	\$ 8,022,063	\$ (333,302)
23 Mill	13,742,548	14,133,535	(390,987)
Special Sales Tax	2,019,021	2,120,114	(101,093)
Employee Benefits	3,002,126	3,005,599	(3,473)

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last revision.

OTHER SUPPLEMENTARY INFORMATION

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

BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Non-Major Governmental Funds
 Combining Balance Sheet - By Fund Type
 June 30, 2017

Exhibit 2

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 1,364,830	\$ 751,869	\$ 531,293	\$ 2,647,992
Investments	1	1,152,520	1	1,152,522
Receivables	601,278	802	422	602,502
Inventory	94,855	-	-	94,855
Total Assets	\$ 2,060,964	\$ 1,905,191	\$ 531,716	\$ 4,497,871
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 231,495	\$ -	\$ 108,199	\$ 339,694
Accrued Expenses	350,579	-	-	350,579
Interfund Payables	244,830	-	-	244,830
Unearned Revenue	22,839	-	-	22,839
Total Liabilities	849,743	-	108,199	957,942
Fund Balances				
Nonspendable	94,855	-	-	94,855
Restricted	1,116,366	1,905,191	423,517	3,445,074
Total Fund Balances	1,211,221	1,905,191	423,517	3,539,929
Total Liabilities and Fund Balances	\$ 2,060,964	\$ 1,905,191	\$ 531,716	\$ 4,497,871

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2017**

Exhibit 3

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
Revenues				
Local Sources:				
Taxes:				
Ad Valorem	\$ 2,613,143	\$ 945,131	\$ -	\$ 3,558,274
Interest Earnings	5,624	6,640	2,759	15,023
Food Services	32,496	-	-	32,496
Other	126,654	-	-	126,654
Total Local Sources	<u>2,777,917</u>	<u>951,771</u>	<u>2,759</u>	<u>3,732,447</u>
State Sources:				
Equalization	271,130	-	-	271,130
Other	257,896	-	-	257,896
Total State Sources	<u>529,026</u>	<u>-</u>	<u>-</u>	<u>529,026</u>
Federal Sources	<u>3,184,312</u>	<u>-</u>	<u>-</u>	<u>3,184,312</u>
Total Revenues	<u>6,491,255</u>	<u>951,771</u>	<u>2,759</u>	<u>7,445,785</u>
Expenditures				
Current:				
Instruction:				
Regular Programs	292,146	-	-	292,146
Special Programs	163,332	-	-	163,332
Other Instructional Programs	1,628,805	-	-	1,628,805
Support Services:				
Student Services	240,258	-	-	240,258
Instructional Staff Support	48,681	-	-	48,681
General Administration	252,927	33,208	-	286,135
School Administration	258,693	-	-	258,693
Business Services	3,461	-	-	3,461
Plant Services	2,393,936	-	4,156	2,398,092
Student Transportation Services	10,144	-	-	10,144
Food Services	1,642,582	-	-	1,642,582
Capital Outlays	48,650	88,792	5,500	142,942
Debt Service:				
Principal Retirement	-	1,001,000	-	1,001,000
Interest and Bank Charges	-	263,921	-	263,921
Total Expenditures	<u>6,983,615</u>	<u>1,386,921</u>	<u>9,656</u>	<u>8,380,192</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(492,360)</u>	<u>(435,150)</u>	<u>(6,897)</u>	<u>(934,407)</u>
Other Financing Sources (Uses)				
Transfers In	464,000	132,000	-	596,000
Transfers Out	(75,588)	-	-	(75,588)
Total Other Financing Sources (Uses)	<u>388,412</u>	<u>132,000</u>	<u>-</u>	<u>520,412</u>
Net Change in Fund Balances	<u>(103,948)</u>	<u>(303,150)</u>	<u>(6,897)</u>	<u>(413,995)</u>
Fund Balances - Beginning	<u>1,315,169</u>	<u>2,208,341</u>	<u>430,414</u>	<u>3,953,924</u>
Fund Balances - Ending	<u>\$ 1,211,221</u>	<u>\$ 1,905,191</u>	<u>\$ 423,517</u>	<u>\$ 3,539,929</u>

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Fund Descriptions
Non-Major Special Revenue Funds

NON-MAJOR SPECIAL REVENUE FUNDS

Repair and Upkeep - The Repair and Upkeep Fund accounts for a parish-wide ad valorem tax levy and related state revenue sharing received for the repair and maintenance of the School Board's existing facilities.

Consolidated Sales Tax Expense - The Consolidated Sales Tax Expense Fund accounts for fees earned from the collection of sales taxes by the sales tax department on behalf of the six taxing authorities located within Bienville Parish for the operation of the sales tax department.

School Food Service - Through cash grants and food donations, the School Food Service Fund assists in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Title I - This program was designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency, and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment, services supplement, not supplant, those normally provided by state and local educational agencies.

Special Education - This program was designed to provide grants to states to assist them in providing a free appropriate education to all students with exceptionalities.

Preschool

Preschool Grants - The preschool incentive is a federally financed program designed to initiate early intervention techniques on identified preschool students so as to reduce learning problems these students will encounter upon entering school and to provide a continuum of services from the infant program up to the regular kindergarten program.

LA4 - The purpose of this program is to increase the availability, affordability, and quality of child care and to increase the availability of early childhood development and before- and after-school programs.

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Fund Descriptions
Non-Major Special Revenue Funds (Continued)**

Rural Education Achievement - This program provides financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning.

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

Early Childhood - This fund accounts for the Early Childhood Community Network Pilots - Cohort 2 state competitive grant. The grant is to prepare the youngest learners for kindergarten.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Combining Balance Sheet
 Non-Major Special Revenue Funds
 June 30, 2017**

	Repair and Upkeep	Consolidated Sales Tax Expense	School Food Service	Title I	Special Education
Assets					
Cash and Cash Equivalents	\$ 1,059,468	\$ 173	\$ 305,189	\$ -	\$ -
Investments	1	-	-	-	-
Receivables	1,954	23,729	7,743	262,384	106,475
Inventory	-	-	94,855	-	-
Total Assets	\$ 1,061,423	\$ 23,902	\$ 407,787	\$ 262,384	\$ 106,475
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 88,455	\$ -	\$ 2,279	\$ 89,397	\$ 23,064
Accrued Expenses	42,367	-	125,951	86,159	-
Interfund Payables	-	-	-	86,828	83,411
Unearned Revenue	-	-	22,839	-	-
Total Liabilities	130,822	-	151,069	262,384	106,475
Fund Balances					
Nonspendable	-	-	94,855	-	-
Restricted	930,601	23,902	161,863	-	-
Total Fund Balances	930,601	23,902	256,718	-	-
Total Liabilities and Fund Balances	\$ 1,061,423	\$ 23,902	\$ 407,787	\$ 262,384	\$ 106,475

Exhibit 4

Preschool	Title II	Rural Education Achievement	Vocational Education	Early Childhood	Total Non-Major Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,364,830
-	-	-	-	-	1
123,852	33,538	28,300	2,320	10,983	601,278
-	-	-	-	-	94,855
<u>\$ 123,852</u>	<u>\$ 33,538</u>	<u>\$ 28,300</u>	<u>\$ 2,320</u>	<u>\$ 10,983</u>	<u>\$ 2,060,964</u>
\$ -	\$ -	\$ 28,300	\$ -	\$ -	\$ 231,495
65,600	30,502	-	-	-	350,579
58,252	3,036	-	2,320	10,983	244,830
-	-	-	-	-	22,839
<u>123,852</u>	<u>33,538</u>	<u>28,300</u>	<u>2,320</u>	<u>10,983</u>	<u>849,743</u>
-	-	-	-	-	94,855
-	-	-	-	-	1,116,366
-	-	-	-	-	1,211,221
<u>\$ 123,852</u>	<u>\$ 33,538</u>	<u>\$ 28,300</u>	<u>\$ 2,320</u>	<u>\$ 10,983</u>	<u>\$ 2,060,964</u>

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2017

	Repair and Upkeep	Consolidated Sales Tax Expense	School Food Service	Title I	Special Education
Revenues					
Local Sources:					
Taxes:					
Ad Valorem	\$ 2,613,143	\$ -	\$ -	\$ -	\$ -
Interest Earnings	5,624	-	-	-	-
Food Services	-	-	32,496	-	-
Other	-	126,654	-	-	-
Total Local Sources	2,618,767	126,654	32,496	-	-
State Sources:					
Equalization	-	-	271,130	-	-
Other	43,888	-	-	-	-
Total State Sources	43,888	-	271,130	-	-
Federal Sources	-	-	1,206,749	1,025,205	455,389
Total Revenues	2,662,655	126,654	1,510,375	1,025,205	455,389
Expenditures					
Current:					
Instruction:					
Regular Programs	263,846	-	-	-	-
Special Programs	-	-	-	-	163,332
Other Instructional Programs	-	-	-	959,716	-
Support Services:					
Student Services	-	-	-	-	240,258
Instructional Staff Support	-	-	-	1,811	46,870
General Administration	87,152	165,239	-	536	-
School Administration	258,693	-	-	-	-
Business Services	2,319	-	-	1,142	-
Plant Services	2,393,936	-	-	-	-
Student Transportation Services	5,215	-	-	-	4,929
Food Services	-	-	1,642,582	-	-
Capital Outlay	48,650	-	-	-	-
Total Expenditures	3,059,811	165,239	1,642,582	963,205	455,389
Excess (Deficiency) of Revenues Over Expenditure	(397,156)	(38,585)	(132,207)	62,000	-
Other Financing Sources (Uses)					
Transfers In	-	64,000	400,000	-	-
Transfers Out	-	-	-	(62,000)	-
Total Other Financing Sources (Uses)	-	64,000	400,000	(62,000)	-
Net Change in Fund Balances	(397,156)	25,415	267,793	-	-
Fund Balances - Beginning	1,327,757	(1,513)	(11,075)	-	-
Fund Balances - Ending	\$ 930,601	\$ 23,902	\$ 256,718	\$ -	\$ -

Exhibit 5

Preschool	Title II	Rural Education Achievement	Vocational Education	Early Childhood	Total Non-Major Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,613,143
-	-	-	-	-	5,624
-	-	-	-	-	32,496
-	-	-	-	-	126,654
-	-	-	-	-	2,777,917
-	-	-	-	-	271,130
203,025	-	-	-	10,983	257,896
203,025	-	-	-	10,983	529,026
236,899	204,465	28,300	27,305	-	3,184,312
439,924	204,465	28,300	27,305	10,983	6,491,255
-	-	28,300	-	-	292,146
-	-	-	-	-	163,332
439,924	190,877	-	27,305	10,983	1,628,805
-	-	-	-	-	240,258
-	-	-	-	-	48,681
-	-	-	-	-	252,927
-	-	-	-	-	258,693
-	-	-	-	-	3,461
-	-	-	-	-	2,393,936
-	-	-	-	-	10,144
-	-	-	-	-	1,642,582
-	-	-	-	-	48,650
439,924	190,877	28,300	27,305	10,983	6,983,615
-	13,588	-	-	-	(492,360)
-	-	-	-	-	464,000
-	(13,588)	-	-	-	(75,588)
-	(13,588)	-	-	-	388,412
-	-	-	-	-	(103,948)
-	-	-	-	-	1,315,169
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,211,221

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Fund Descriptions
Non-Major Debt Service Funds**

NON-MAJOR DEBT SERVICE FUNDS

School District #1
School District #2
School District #4 & 5
School District #16 - 37
School District #28
School District #33
QSCB Revenue Bond

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire land for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2017

	District #1	District #2	District #4 & 5
Assets			
Cash and Cash Equivalents	\$ 234	\$ 95,093	\$ 285,786
Investments	-	1	1
Receivables	1	49	227
	<hr/>		
Total Assets	\$ 235	\$ 95,143	\$ 286,014
	<hr/>		
Fund Balances			
Restricted	\$ 235	\$ 95,143	\$ 286,014
	<hr/>		
Total Fund Balances	\$ 235	\$ 95,143	\$ 286,014
	<hr/>		

District #16-37	District #28	District #33	QSCB Revenue Bond	Total Non-Major Debt Service Funds
\$ 49,352	\$ 22	\$ 321,382	\$ -	\$ 751,869
250,000	-	100,000	802,518	1,152,520
204	-	321	-	802
\$ 299,556	\$ 22	\$ 421,703	\$ 802,518	\$ 1,905,191
\$ 299,556	\$ 22	\$ 421,703	\$ 802,518	\$ 1,905,191
\$ 299,556	\$ 22	\$ 421,703	\$ 802,518	\$ 1,905,191

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Non-Major Debt Service Funds
 For the Year Ended June 30, 2017**

	District #1	District #2	District #4 & 5
Revenues			
Local Sources:			
Taxes:			
Ad Valorem	\$ -	\$ 202,452	\$ 225,444
Interest Earnings	2	541	2,685
Total Local Sources	2	202,993	228,129
Total Revenues	2	202,993	228,129
Expenditures			
Current:			
Support Services:			
General Administration	-	6,355	6,849
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	140,000	406,000
Interest and Bank Charges	-	57,275	14,036
Total Expenditures	-	203,630	426,885
Excess (Deficiency) of Revenues Over Expenditure	2	(637)	(198,756)
Other Financing Sources (Uses)			
Transfers In	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	2	(637)	(198,756)
Fund Balances - Beginning	233	95,780	484,770
Fund Balances - Ending	\$ 235	\$ 95,143	\$ 286,014

District #16-37	District #28	District #33	QSCB Revenue Bond	Total Non-Major Debt Service Funds
\$ 297,531	\$ -	\$ 219,704	\$ -	\$ 945,131
595	183	2,634	-	6,640
298,126	183	222,338	-	951,771
298,126	183	222,338	-	951,771
9,371	3,955	6,678	-	33,208
-	88,792	-	-	88,792
205,000	-	250,000	-	1,001,000
86,375	-	98,375	7,860	263,921
300,746	92,747	355,053	7,860	1,386,921
(2,620)	(92,564)	(132,715)	(7,860)	(435,150)
-	-	-	132,000	132,000
-	-	-	132,000	132,000
(2,620)	(92,564)	(132,715)	124,140	(303,150)
302,176	92,586	554,418	678,378	2,208,341
\$ 299,556	\$ 22	\$ 421,703	\$ 802,518	\$ 1,905,191

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Fund Descriptions
Non-Major Capital Projects Funds**

NON-MAJOR CAPITAL PROJECTS FUNDS

Consolidated School District #1 Sales Tax - This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #1.

School District #2 Building Fund - This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #2.

School District #4 & 5 Building Fund - This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #4 and 5.

School District #16 & 37 Building Fund - This fund is used to account for financial resources to be used to acquire, construct, or improve facilities within School District #16-37.

QSCB Construction - This fund is used to account for financial resources funded with a QSCB revenue bond issued June 15, 2011, and to be used for capital projects in various districts.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Combining Balance Sheet
 Non-Major Capital Projects Funds
 June 30, 2017**

Exhibit 8

	Consolidated School District #1 Sales Tax	School District #2 Building Fund	School District #4 & 5 Building Fund	School District #16 & 37 Building Fund	Total Non-Major Capital Projects Funds
Assets					
Cash and Cash Equivalents	\$ 1,024	\$ 521,705	\$ -	\$ 8,564	\$ 531,293
Investments	-	1	-	-	1
Receivables	1	414	-	7	422
Total Assets	\$ 1,025	\$ 522,120	\$ -	\$ 8,571	\$ 531,716
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ -	\$ 108,199	\$ -	\$ -	\$ 108,199
Fund Balances					
Restricted	1,025	413,921	-	8,571	423,517
Total Fund Balances	1,025	413,921	-	8,571	423,517
Total Liabilities Fund Balances	\$ 1,025	\$ 522,120	\$ -	\$ 8,571	\$ 531,716

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances - By Fund Type
 Non-Major Capital Projects Funds
 For the Year Ended June 30, 2017**

Exhibit 9

	Consolidated School District #1 Sales Tax	School District #2 Building Fund	School District #4 & 5 Building Fund	School District #16 & 37 Building Fund	Total Non-Major Capital Projects Funds
Revenues					
Local Sources:					
Interest Earnings	\$ 5	\$ 2,703	\$ 1	\$ 50	\$ 2,759
Total Local Sources	5	2,703	1	50	2,759
Total Revenues	5	2,703	1	50	2,759
Expenditures					
Current					
Support Services:					
Plant Services	-	-	4,156	-	4,156
Capital Outlay	-	-	-	5,500	5,500
Total Expenditures	-	-	4,156	5,500	9,656
Excess (Deficiency) of Revenues Over Expenditure	5	2,703	(4,155)	(5,450)	(6,897)
Net Change in Fund Balances	5	2,703	(4,155)	(5,450)	(6,897)
Fund Balances - Beginning	1,020	411,218	4,155	14,021	430,414
Fund Balances - Ending	\$ 1,025	\$ 413,921	\$ -	\$ 8,571	\$ 423,517

AGENCY FUNDS

School Activities Agency Fund - The activities of the various individual school accounts are accounted for in the School Activities Agency Fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

Sales Tax Agency Fund - The Sales Tax Agency Fund accounts for the collection and distribution of sales taxes by the sales tax department of the Bienville Parish School Board on behalf of the seven taxing authorities located within Bienville Parish.

Sales Taxes Paid Under Protest - This fund accounts for sale taxes collected but paid under protest. These funds are held in the agency fund pending settlement of the protest.

BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Combining Schedule of Fiduciary Assets and Liabilities
 Agency Funds
 June 30, 2017

Exhibit 10

	School Activities Agency Fund	Sales Tax Agency Fund	Sales Taxes Paid Under Protest	Total Agency Funds
Assets				
Cash and Cash Equivalents	\$ 349,777	\$ 774,692	\$ -	\$ 1,124,469
Accounts Receivable	-	845,176	-	845,176
Restricted Assets				
Restricted Cash for Protested Taxes	-	-	5,022	5,022
Total Assets	\$ 349,777	\$ 1,619,868	\$ 5,022	\$ 1,974,667
Liabilities				
Accounts Payable	\$ -	\$ 22,891	\$ -	\$ 22,891
Deposits Due Others	349,777	1,596,977	-	1,946,754
Taxes Paid Under Protest from Restricted Assets	-	-	5,022	5,022
Total Liabilities	\$ 349,777	\$ 1,619,868	\$ 5,022	\$ 1,974,667

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
School Activities Agency Fund
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2017

Exhibit 11

School	Beginning Balance	Additions	Deletions	Ending Balance
Arcadia High School	\$ 61,010	\$ 171,446	\$ 188,280	\$ 44,176
Bienville High School	9,063	11,204	8,673	11,594
Castor High School	124,413	325,855	326,910	123,358
Crawford Elementary School	19,638	21,049	24,648	16,039
Gibbsland-Coleman High School	29,235	119,890	123,591	25,534
Ringgold Elementary School	20,433	36,692	38,435	18,690
Ringgold High School	30,231	130,344	131,632	28,943
Saline High School	78,391	231,684	228,632	81,443
Total	\$ 372,414	\$ 1,048,164	\$ 1,070,801	\$ 349,777

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Sales Tax Agency Fund
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2017

Exhibit 12

Deposit Balance at Beginning of Year	<u>\$ 1,311,300</u>
Additions	
Sales Tax Collections	<u>8,321,590</u>
Deductions	
Payments to:	
Bienville Parish School Board	1,868,173
Bienville Parish School Board Special	1,867,966
Bienville Parish Police Jury	1,867,972
Town of Arcadia	1,995,098
Town of Gibsland	70,793
Town of Ringgold	285,355
Village of Castor	56,697
Village of Saline	<u>23,859</u>
Total Deductions	<u>8,035,913</u>
Deposit Balance at End of Year	<u><u>\$ 1,596,977</u></u>

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Compensation Paid to Board Members
 For the Year Ended June 30, 2017**

Exhibit 13

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolutions No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, members of the executive committee receive an additional \$50 per month, and the president receives an additional \$100 per month for performing the duties of his office. In December 2007, the Board voted to use the maximum pay rate allowed under Louisiana Revised Statutes 17:56. This changed the monthly compensation to \$800 per month. All additional payments remained the same.

Board Member	District	Amount
Edward Mason, Jr., President	1	\$ 10,200
Mickey Hampton	2	9,900
Freddie Blow	3	9,900
Bonita J. Reliford	4	9,900
Martha Grigg	5	10,500
Kenneth Knotts, Vice-President	6	9,900
Donald Calloway	7	9,900
Total		\$ 70,200

See independent auditor's report.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Compensation, Benefits, and Other Payments
 to Agency Head
 For the Year Ended June 30, 2017**

Exhibit 14

Agency Head
 William Britt, Superintendent

Purpose	Amount
Salary	\$189,069
Benefits - Insurance	\$0
Benefits - Retirement	\$47,786
Benefits - Other (Annual Leave and Medicare)	\$4,713
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$910
Conference Travel	\$2,711
Continuing Professional Education Fees	\$0
Dues	\$325
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.

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

Independent Auditor's Report

Board Members
Bienville Parish School Board
Arcadia, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bienville Parish School Board (the School Board) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 4, 2017.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School Board's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2017-001, that we consider to be a significant deficiency.

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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2017-001.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit are described in the accompanying corrective action for current year findings and questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



A Professional Accounting Corporation

Covington, LA
December 4, 2017

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

Independent Auditor's Report

Board Members
Bienville Parish School Board
Arcadia, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Bienville Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2017. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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



A Professional Accounting Corporation

Covington, LA
December 4, 2017

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Louisiana Department of Education:			
<u>Child Nutrition Cluster:</u>			
Non-Cash Assistance (Commodities)			
National School Lunch Program	10.555	N/A	\$ 126,491
Cash Assistance			
National School Lunch Program	10.555	N/A	<u>1,080,258</u>
Total U.S. Department of Agriculture (Child Nutrition Cluster)			<u>1,206,749</u>
<u>U.S. Department of Education</u>			
Passed through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	84.010A	28-16-T1-07	1,025,205
Career and Technical Education - Basic Grants	84.048	28-16-02-07	27,305
Title II - Improving Teacher Quality State Grants	84.367A	28-16-50-07	204,465
Rural Education Achievement Program	84.358B	28-16-RE-07	28,300
<u>Special Education Cluster:</u>			
Grants to States (Part B)	84.027A	28-16-B1-07	434,985
IDEA Opportunity Grant	84.027A	28-15-OG-07	1,494
Preschool Grants	84.173A	28-16-P1-07	<u>18,910</u>
Total Special Education Cluster			<u>455,389</u>
Total U.S. Department of Education			<u>1,740,664</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Louisiana Department of Education:			
Temporary Assistance for Needy Families (TANF)	93.558	28-49-36-07	<u>236,899</u>
Total U.S. Department of Health and Human Services			<u>236,899</u>
Total Expenditures of Federal Awards			<u>\$ 3,184,312</u>

See notes to schedule of expenditures of federal awards.

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the notes to the basic financial statements of the School Board's Annual Financial Report. Such expenditures are recognized following, as applicable, the cost principles in Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Relationship to Basic Financial Statements

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

	Federal Sources
Major	
General	\$ -
Non-Major	
School Food Service	1,206,749
Title I	1,025,205
Special Education	455,389
Preschool	236,899
Title II	204,465
Rural Education Achievement	28,300
Vocational Education	<u>27,305</u>
Total	<u>\$ 3,184,312</u>

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2017

Note 4. Relationship to Federal Financial Reports

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

Note 5. Matching Revenues

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 6. Non-Cash Programs

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

Note 7. Indirect Cost Rate

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

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2017**

Part I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | | |
|----|--|---------------|
| 1. | Type of auditor's report | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weaknesses identified? | Yes |
| | b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| | c. Noncompliance material to the financial statements noted? | Yes |

Federal Awards

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

CFDA Number

- | | | |
|----|--|-----------|
| | a. Title I - Grants to Local Educational Agencies | 84.010 |
| | b. Special Education Cluster: | |
| | Grants to States (Part B) | 84.027A |
| | IDEA Opportunity Grant | 84.027A |
| | Preschool Grants | 84.173A |
| 7. | Dollar threshold used to distinguish between Type A and B programs | \$750,000 |
| 8. | Auditee qualified as a low-risk auditee under 2 CFR 200.520 | No |

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2017

Part II. FINDINGS - FINANCIAL STATEMENT AUDIT

2017-001 Fuel Card Purchases

Criteria: For effective internal controls over fuel card purchases, purchases should be supported by itemized receipt.

Condition: The School Board purchases fuel for its vehicles using fuel cards. The vendor that supports the fuel cards provides a monthly report which shows user, vehicle odometer reading, gallons purchased, and cost. Currently, the School Board does not require drivers to provide itemized receipts to support fuel purchases.

Cause: Not known.

Effect: Ineffective internal controls over fuel purchases.

Recommendation: We recommend that the School Board change its fuel card purchases procedures to require that itemized receipts are turned in monthly. We recommend that management review the monthly report and reconcile to itemized receipts.

Management's Response: Management will change its procedures to require that drivers turn in an itemized receipt for all fuel purchases. These will be reconciled to the fuel report on a monthly basis.

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

None

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Summary Schedule of Prior Year Audit Findings and Questioned Costs
For the Year Ended June 30, 2017**

2016-001 Payroll Liability Accounts

Status: This finding has been resolved.

2016-002 Late Submission of Annual Audited Financial

Status: This finding has been resolved.

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

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Bienville Parish School Board
Arcadia, Louisiana

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

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

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

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

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

No differences were noted.

Education Levels of Public School Staff (Schedule 2)

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

No differences were noted.

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

No differences were noted.

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

No differences were noted.

Number and Type of Public Schools (Schedule 3)

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

No differences were noted.

Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers (Schedule 4)

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

No differences were noted.

Public School Staff Data: Average Salaries (Schedule 5)

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

No differences were noted.

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

No differences were noted.

Class Size Characteristics (Schedule 6)

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

No differences were noted.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

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

No differences were noted.

Graduation Exit Examination (GEE) (Schedule 8)

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

LEAP Tests (Schedule 9)

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

No differences were noted.

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

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

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

A Professional Accounting Corporation

Covington, LA
December 4, 2017

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Schedules Required by State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2017

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

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

Schedule 2 - Education Levels of Public School Staff

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

Schedule 3 - Number and Type of Public Schools

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

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

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

Schedule 5 - Public School Staff Data: Average Salaries

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

Schedule 6 - Class Size Characteristics

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

Schedule 7 - Louisiana Educational Assessment Program (LEAP) - ELA & Math

This schedule represents student performance testing data and includes summary scores by district for grades 3 through 8 in English Language Arts and Mathematics. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - Graduation Exit Examination (GEE)

The Graduation Exit Examination is no longer administered. This schedule is no longer applicable.

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Schedules Required by State Law
(R.S. 24:514 - Performance and Statistical Data) (Continued)
As of and for the Year Ended June 30, 2017**

Schedule 9 - LEAP Tests - Science & Social Studies

This schedule represents student performance testing data and includes a summary score for grades 3 through 8 in Science and Social Studies. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 General Fund Instructional and Support Expenditures
 and Certain Local Revenue Sources
 As of and for the Year Ended June 30, 2017**

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures		
Teacher and Student Interaction Activities		
Classroom Teacher Salaries	\$ 2,396,799	
Other Instructional Staff Activities	833,094	
Instructional Staff Employee Benefits	902,617	
Purchased Professional and Technical Services	84,665	
Instructional Materials and Supplies	207,039	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 4,424,214
Other Instructional Activities		
Pupil Support Activities		
	1,120,706	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	1,120,706
Instructional Staff Services		
	208,038	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	208,038
School Administration		
	83,033	
Less: Equipment for School Administration	-	
Net School Administration	-	83,033
Total General Fund Instructional Expenditures		\$ 5,835,991
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		\$ -

Certain Local Revenue Sources

Local Taxation Revenue		
Constitutional Ad Valorem Taxes	\$ 1,972,437	
Renewable Ad Valorem Tax	2,613,413	
Debt Service Ad Valorem Tax	-	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	393,018	
Sales and Use Taxes	1,921,429	
Total Local Taxation Revenue		\$ 6,900,297
Local Earnings on Investment in Real Property		
Earnings from 16th Section Property	\$ -	
Earnings from Other Real Property	14,360	
Total Local Earnings on Investment in Real Property		\$ 14,360
State Revenue in Lieu of Taxes		
Revenue Sharing - Constitutional Tax	\$ 35,254	
Revenue Sharing - Other Taxes	43,888	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes		\$ 79,142
Nonpublic Textbook Revenue	\$ -	
Nonpublic Transportation Revenue	-	
Total Nonpublic		\$ -

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Education Levels of Public School Staff
 For the Year Ended June 30, 2017**

Schedule 2

Category	Full Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1	1%	0	0%	0	0%	0	0%
Bachelor's Degree	112	57%	4	67%	0	0%	0	0%
Master's Degree	52	27%	2	33%	3	32%	0	0%
Master's Degree +30	28	14%	0	0%	5	57%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	1	1%	0	0%	1	11%	0	0%
Total	194	100%	6	100%	9	100%	0	0%

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Number and Type of Public Schools
For the Year Ended June 30, 2017**

Schedule 3

Type	Number
Elementary	2
Middle/Jr. High	-
High School	2
Combination	5
Total	9

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Schedule 4

**Experience of Public Principals, Assistant Principals,
and Full Time Classroom Teachers
As of October 1, 2016**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals						1		1
Principals			1		2		5	8
Classroom Teachers	9	21	49	25	33	25	38	200
Total	9	21	50	25	35	26	43	209

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 Public School Staff Data
 For the Year Ended June 30, 2017**

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$53,172	\$52,795
Average Classroom Teachers' Salary Excluding Extra Compensation	\$48,753	\$48,413
Number of Teacher Full Time Equivalent (FTEs) used in Computation of Average Salaries	191.00	186.404

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

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
Class Size Characteristics
As of October 1, 2016

Schedule 6

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	93%	189	4%	7	1%	1	2%	4
Elementary Activity Classes	9%	1	0%	0	18%	2	73%	8
Middle/Jr. High	0%	0	0%	0	0%	0	0%	0
Middle/Jr. High Activity Classes	0%	0	0%	0	0%	0	0%	0
High	83%	224	14%	36	2%	5	1%	2
High Activity Classes	56%	14	20%	5	16%	4	8%	2
Combination	85%	477	12%	67	2%	11	1%	3
Combination Activity Classes	79%	63	14%	11	6%	5	1%	1

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

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Schedule 7

**Louisiana Educational Assessment Program (LEAP) - ELA & Math
For the 21st Century and Partnership for Assessment of
Readiness for College and Careers (PARCC)
For the Year Ended June 30, 2017**

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	1	2	6	7	6
Mastery	28	31	35	26	36	22
Basic	29	26	23	30	26	33
Approaching Basic	21	27	23	22	22	28
Unsatisfactory	21	15	17	16	9	11
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	8	3	1	4	9	1
Mastery	28	40	31	34	33	20
Basic	33	22	35	32	26	26
Approaching Basic	22	22	23	23	22	36
Unsatisfactory	9	13	10	7	10	17
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	1	1	9	6	1
Mastery	38	33	24	31	24	19
Basic	35	34	32	30	31	29
Approaching Basic	20	24	34	20	26	35
Unsatisfactory	6	8	9	10	13	16
Total	100	100	100	100	100	100

**BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA**

Schedule 7

**Louisiana Educational Assessment Program (LEAP) - ELA & Math (Continued)
For the 21st Century and Partnership for Assessment of
Readiness for College and Careers (PARCC)
For the Year Ended June 30, 2017**

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	3	2	2	1	1
Mastery	3	36	33	22	24	25
Basic	28	33	44	30	35	31
Approaching Basic	30	22	18	33	26	34
Unsatisfactory	9	6	3	13	14	9
Total	72	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	10	5	4	3	1	2
Mastery	35	32	30	23	25	16
Basic	27	29	35	33	34	41
Approaching Basic	20	23	19	29	34	31
Unsatisfactory	8	11	12	12	6	10
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	8	10	2	4	4	2
Mastery	42	48	42	28	33	27
Basic	25	28	36	21	22	31
Approaching Basic	18	10	15	29	34	28
Unsatisfactory	7	4	5	18	7	12
Total	100	100	100	100	100	100

The Graduation Exit Examination is no longer administered. This schedule is no longer applicable.

**BIENVILLE PARISH SCHOOL BOARD
 ARCADIA, LOUISIANA
 LEAP Tests - Science & Social Studies
 and Partnership for Assessment of
 Readiness for College and Careers (PARCC)
 For the Year Ended June 30, 2017**

Schedule 9

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 3 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	5	3	N/A	N/A	1
Mastery	11	14	19	N/A	N/A	13
Basic	43	41	42	N/A	N/A	48
Approaching Basic	29	32	22	N/A	N/A	18
Unsatisfactory	15	8	14	N/A	N/A	20
Total	100	100	100	N/A	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 4 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	2	5	2	N/A	N/A	1
Mastery	13	15	14	N/A	N/A	8
Basic	46	48	43	N/A	N/A	54
Approaching Basic	29	23	30	N/A	N/A	25
Unsatisfactory	10	9	11	N/A	N/A	12
Total	100	100	100	N/A	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 5 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	4	4	3	N/A	N/A	1
Mastery	19	13	10	N/A	N/A	19
Basic	44	46	47	N/A	N/A	29
Approaching Basic	24	27	22	N/A	N/A	35
Unsatisfactory	9	10	18	N/A	N/A	16
Total	100	100	100	N/A	N/A	100

BIENVILLE PARISH SCHOOL BOARD
ARCADIA, LOUISIANA
LEAP Tests - Science & Social Studies (Continued)
and Partnership for Assessment of
Readiness for College and Careers (PARCC)
For the Year Ended June 30, 2017

Schedule 9

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 6 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	5	4	3	N/A	N/A	6
Mastery	12	13	18	N/A	N/A	11
Basic	49	47	43	N/A	N/A	48
Approaching Basic	22	25	29	N/A	N/A	25
Unsatisfactory	12	11	7	N/A	N/A	10
Total	100	100	100	N/A	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 7 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	3	3	4	N/A	N/A	3
Mastery	17	15	14	N/A	N/A	18
Basic	41	39	47	N/A	N/A	47
Approaching Basic	29	31	24	N/A	N/A	23
Unsatisfactory	10	12	11	N/A	N/A	9
Total	100	100	100	N/A	N/A	100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Grade 8 Students	Percent	Percent	Percent	Percent	Percent	Percent
Advanced	1	1	1	N/A	N/A	1
Mastery	11	9	11	N/A	N/A	8
Basic	33	41	37	N/A	N/A	45
Approaching Basic	35	34	35	N/A	N/A	33
Unsatisfactory	20	15	16	N/A	N/A	13
Total	100	100	100	N/A	N/A	100

**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

For the Period of July 1, 2016 - June 30, 2017

Bienville Parish School Board and
Louisiana Legislative Auditor

We have performed the procedures enumerated below which were agreed to by Bienville Parish School Board (the School Board) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 to June 30, 2017. The School Board's management is responsible for those C/C areas identified in the SAUPs. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and results are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts**, including receiving, recording, and preparing deposits.
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 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. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: We reviewed the School Board's policies and procedures and noted the following exceptions:

- i. All elements were present except for the preparation of purchase requisitions and purchase orders.
- ii. Policy and procedures did not address processing of disbursements.
- iii. Policy and procedures did not address receiving, recording, and preparing deposits.
- iv. Payroll related policies did not include payroll processing, reviewing, and approving time.
- v. Policy does not contain items (1), (2), (3), and (5).
- vi. The School Board does not currently have a credit card policy.
- vii. Policy contained all required categories except for documentation requirements.
- viii. Policy does not contain items (2), (3), and (4).
- ix. Policy does not contain items (3) and (4).

Management's Response: The School Board will amend policies to include the provisions not included in the present policy. The School Board will adopt a credit card policy.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

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

Results: During the fiscal year, the School Board met monthly and had a quorum each meeting. The board minutes included financial update, budgets, and other non-budgetary items. The School Board did not have a deficit in any fund during the year ended June 30, 2017.

Bank Reconciliations

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

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

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

- a) Bank reconciliations have been prepared;
- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results: For the accounts selected, all monthly bank reconciliations were prepared and included evidence that reconciliations were reviewed. We noted that the business manager, who is an authorized check signer, performs the review of the bank reconciliations. We noted 17 outstanding checks totaling \$4,797 that have been outstanding for more than 6 months. The School Board considers these outstanding checks to be unclaimed property.

Management's Response: The School Board will provide for an additional review of the bank reconciliations by one of its board members. The School Board will submit the outstanding checks to the Louisiana Department of the Treasury Unclaimed Property Division.

Collections

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

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

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:
- a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
 - b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
 - c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Results: We noted eight cash collection locations. The student activity fund is omitted from this procedure as a separate agreed-upon procedures report is issued for it. We noted that employees responsible for collecting cash were bonded. We noted that employees who collect cash are not allowed to deposit cash in the bank, per policy and procedures. We noted that the School Board does not have any formal cash registers or drawers.

The School Board has a formal process to reconcile cash collections to the general ledger, primarily through bank reconciliations performed by a person who is not responsible for cash collections.

We selected a week with the largest collection volume for testing. For the week selected, cash collections were completely supported by documentation and were deposited within one day of collection.

7. Obtain existing written documentation (e.g., policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Results: The business manager monitors revenues compared to budgeted amounts on a monthly basis.

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

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

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

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
 - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; (2) a receiving report showing receipt of goods purchased, or electronic equivalent; and (3) an approved invoice.

Results: For all disbursement samples, initiation was performed by using an equivalent form, which was provided with the supporting documentation. For disbursements sampled, approval and initiation on the form were not performed by the same person. All disbursements sampled included invoice, approved expenditure request form, and a copy of signed check.

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

Results: We noted that all invoices receive approval from the business manager and two board members. Personnel responsible for processing payments are not capable of adding vendors to the School Board's purchasing/disbursement system.

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

Results: We noted that the persons with signatory authority have no responsibility for initiating or recording purchases.

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

Results: We noted that blank check stock is maintained in a locked office with access restriction. We noted that access to print checks is limited to the accounting department personnel. All checks require dual signatures.

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

Results: The School Board does not use a signature stamp or machine. We noted that signed checks are returned to the accounting department for mailing.

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

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

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

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

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

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Results: We noted that the School Board had 5 cards (Lowe's, Visa, Walmart, Shell, and Wex fuel cards). We noted evidence that the monthly combined statement and supporting documentation was reviewed and approved.

We noted a finance charge of \$29 on the Visa card and a finance charge of \$1,070 on the Wex fuel card statement.

Management's Response: Please note that the Wex charge is the monthly charge for processing. In regards to the Visa charge, the School Board will seek to avoid finance charges in the future.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e., each of the 10 cards should have one month of transactions subject to testing).
 - a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased).
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization).
 - b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
 - c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., cash advances or non-business purchases, regardless of whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: We noted that all transactions selected were supported by an original itemized receipt and a documentation of the business/public purpose for the Lowe's, Visa, and Walmart cards. We noted no itemized receipts were turned in for the Shell card, and we noted 2 out of 74 Wex fuel transactions were supported by an itemized receipt.

We noted no exceptions in reviewing the transactions' detail against the School Board's policies nor the Louisiana Public Bid Law. For the items which were supported by itemized receipt, we noted no exceptions in reviewing the transactions' detail against the requirement of Article 7, Section 14 of the Louisiana Constitution.

Management's Response: For the year ending June 30, 2018, the School Board began requiring that itemized receipts be turned in for the Shell and Wex fuel cards.

Travel and Expense Reimbursement

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

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

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

Results: We obtained the School Board's policies and procedures for travel expenses. The policy addresses that mileage is reimbursed at the state mileage rate and meals which qualify per the schedule in the policy are reimbursed up to state amounts.

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose. (Note: For meal charges, there should also be documentation of the individuals participating.)
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: We noted no exceptions in comparing expense reimbursement transactions sampled to policy.

We noted that all transactions selected were supported by an original itemized receipt and documentation of a business/public purpose.

We noted no exceptions in reviewing the transactions' detail against the requirement of Article 7, Section 14 of the Louisiana Constitution.

We noted that all transactions were reviewed and approved by someone other than the person receiving reimbursement.

Contracts

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

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

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

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Results: We noted a formal/written contract existed for all sampled contracts.

We noted that one of the five contracts was subject to the Louisiana Public Bid Law or Procurement Code. For that contract which was a construction contract, we noted that it had been bid in a previous year.

We noted that contracts selected included no amendments.

We noted that the largest payment from each contract agreed to the supporting invoice and contract terms.

We noted that the board approved each contract with the exception of a contract for an occupational therapist.

Payroll and Personnel

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

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

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

We noted that compensation paid to each employee sampled was in accordance with their personnel file and the board approved salary table.

We noted that changes to pay rates/salaries were properly approved in writing.

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Results: We noted that daily attendance and leave for each employee sampled was documented. We noted that leave taken by each employee sampled was approved in writing.

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

Results: We obtained management's representation that the listing provided is complete. Termination payments for employees selected were made in accordance with policy and were approved by management.

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

Results: The appropriate employee and employer portions of payroll taxes and retirement contributions were submitted to the applicable agencies by the required deadlines for all payroll tax and retirement contribution supporting documentation sampled.

Ethics (excluding nonprofits)

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

Results: We noted that for each employee sampled, they completed the training during the fiscal year.

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

Results: Per our discussion with management, there were not alleged ethics violations during the fiscal year.

Debt Service (excluding nonprofits)

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

Results: No debt was issued during the year ended June 30, 2017.

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

Results: We noted that debt service payments were made timely and that the School Board maintained required debt reserves.

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

Results: We noted that the School Board has 4 tax millages relating to debt service. We noted none of the millage collections exceeded debt service by more than 10%.

Other

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

Results: We noted no instances of misappropriation of public funds or assets, per inquiry with management and the board president.

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

Results: We noted the LLA hotline notice per LRS 24:523.1 posted in the School Board's office and on its website.

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

Results: No exceptions were noted in obtained management representation.

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*. We were not engaged to perform, and did not perform, an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the 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 C/C areas identified in the SAUPs, 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 LLA as a public document.

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

A Professional Accounting Corporation

Covington, LA
December 7, 2017