

CONCORDIA PARISH SCHOOL BOARD

ANNUAL FINANCIAL STATEMENTS

**AS OF JUNE 30, 2018
AND FOR THE YEAR THEN ENDED**

**WITH
INDEPENDENT AUDITOR'S REPORT**



SILAS SIMMONS LLP
CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

CONCORDIA PARISH SCHOOL BOARD

Annual Financial Statements
As of and for the Year Ended June 30, 2018
With Supplementary Information Schedules

TABLE OF CONTENTS

	Statement	Page
Independent Auditor's Report-----		1-3
Required Supplementary Information (Part I)		
Management's Discussion and Analysis -----		4-11
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements:		
Statement of Net Position-----	A	12
Statement of Activities-----	B	13
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet-----	C	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position -----	D	15
Statement of Revenues, Expenditures, and Changes in Fund Balances -----	E	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities-----	F	17
Fiduciary Funds:		
Statement of Assets and Liabilities - Fiduciary Funds-----	G	18
Notes to the Basic Financial Statements -----		19-51
Required Supplementary Information (Part II)		
General Fund:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (with Variances) -----	H	52

CONCORDIA PARISH SCHOOL BOARD

Annual Financial Statements
As of and for the Year Ended June 30, 2018
With Supplementary Information Schedules

TABLE OF CONTENTS

	Statement	Page
Special Revenue Funds:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (with Variances) – Sales Tax 80% Fund-----	I	53
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (with Variances) – Sales Tax 40% Fund-----	J	54
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (with Variances) – Title I Fund -----	K	55
Schedule of Changes in Total OPEB Liability -----	L	56
Schedule of Contributions – OPEB-----		57
Schedule of Employer’s Share of Net Pension Liability – Teachers’ Retirement System of Louisiana (TRSL)-----	M	58
Schedule of Employer Contributions – Teachers’ Retirement System of Louisiana (TRSL) -----	N	59
Notes to Required Supplementary Information – Teachers’ Retirement System of Louisiana (TRSL) -----	O	60
Schedule of Employer’s Share of Net Pension Liability – Louisiana School Employees’ Retirement Systems (LSERS)-----	P	61
Schedule of Employer Contributions – Louisiana School Employees’ Retirement System (LSERS) -----	Q	62
Notes to Required Supplementary Information – Louisiana School Employees’ Retirement System (LSERS) -----	R	63
Supplementary Information:		
Nonmajor Governmental Funds-----		64-68
Combining Balance Sheet – Nonmajor Governmental Funds-----	S	69-74
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds -----	T	75-80
Schedule of Compensation Paid to Board Members -----	U	81
Schedule of Compensation, Benefits, and Other Payments to Agency Head-----	V	82
Schedule of Expenditures of Federal Awards-----	W	83-84

CONCORDIA PARISH SCHOOL BOARD

Annual Financial Statements
As of and for the Year Ended June 30, 2018
With Supplementary Information Schedules

TABLE OF CONTENTS

	Statement	Page
Other Reports Required by <i>Government Auditing Standards</i> and the Uniform Guidance		
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> -----		85-86
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance-----		87-88
Schedules of Findings and Questioned Costs:		
Schedule of Findings and Questioned Costs -----		89
Current Year Findings, Recommendations, and Corrective Action Planned -----		90
Status of Prior Audit Findings-----		91
Agreed-Upon Procedures Report on School Board Performance Measures:		
Independent Accountant’s Report on Applying Agreed-Upon Procedures -----		92-93
Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)-----		94
	Schedule	
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources -----	1	95
Class Size Characteristics -----	2	96
Management’s Corrective Action Plan-----		97
Supplementary Schedule of Agreed-Upon Procedures and Findings:		
Independent Accountant’s Report on Applying Agreed-Upon Procedures -----		98
Supplementary Schedule of Agreed-Upon Procedures and Findings-----		99-106
Schedule of Exceptions -----		107



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INDEPENDENT AUDITOR'S REPORT

To Concordia Parish School Board
Vidalia, 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 Concordia Parish School Board as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Concordia's Parish 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, each major fund, and the aggregate remaining fund information of Concordia Parish School Board as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2018, the Concordia Parish School Board adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes in Total OPEB Liability, Schedule of Contributions - OPEB, Schedules of Employer's Share of Net Pension Liability, and Schedules of Employer Contributions labeled "Required Supplementary Information" in the table of contents (Part I and Part II) 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Concordia Parish School Board's basic financial statements. The Combining and Individual Nonmajor Fund Financial Statements; the Schedule of Compensation Paid to the Board Members; and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements; the Schedule of Compensation Paid to Board Members; the Schedule of Compensation, Benefits, and Other Payments to Agency Head; 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 Combining and Individual Nonmajor Fund Financial Statements; the Schedule of Compensation Paid to Board Members; the Schedule of Compensation, Benefits, and Other Payments to Agency Head; 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2018, on our consideration of Concordia Parish 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 Concordia Parish School Board's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Silas Simmons, LLP".

Natchez, Mississippi
December 12, 2018

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

This discussion and analysis is intended to serve as an introduction to Concordia Parish School Board's (School Board) basic financial statements. The basic financial statements consist of three components: Government-Wide Financial Statements, Fund Financial Statements, and Notes to the Financial Statements.

Financial Highlights

- The School Board's assets are exceeded by its liabilities by \$64.1 million for the year ended June 30, 2018. This compares to a net deficit for the previous year of \$14.3 million.
- Total net assets at June 30, 2018, consist of the following:
 - A net investment in capital assets of \$16.4 million, which consists of property and equipment, net of accumulated depreciation and the related debt.
 - Net position of \$7.6 million is restricted from outside sources, such as grantors, tax propositions approved by the voters, etc.
 - Due to implementation of new Government Accounting Standards Board (GASB) requirements, unrestricted net position reflects a negative \$88.0 million for payment of continuing obligations.
- The School Board's Governmental Funds reported fund balances of \$29.1 million this year, as compared to \$28.8 million for the previous year.
- At the end of the current fiscal year, the General Fund had a \$20.7 million fund balance, an increase of approximately \$445 thousand over the previous year's fund balance.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the School Board's operations. 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 manner which is similar to a private-sector business. These statements include all assets and liabilities, and are prepared using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The statement of net position presents all of the School Board's assets and liabilities, with the difference between the two reported as net position. Over time, increase or decreases in the School Board's net position may serve as a useful indicator of whether the School Board's financial position is improving or deteriorating. The statement of activities presents information showing how the School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future periods (e.g., earned by unused sick leave).

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018

Government-Wide Financial Statements (continued)

The statement of net position and statement of activities report the governmental activities of the School Board. All of the School Board's services are reported here, including instruction, support services, school food service, and debt service.

Fund Financial Statements

Governmental Funds

The School Board's fund financial statements follow the government-wide statements and provide detailed information about the School Board's most significant funds, not the School Board as a whole. Some funds are required to be established by State law; however, the School Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money, (e.g., grants from the U.S. Department of Education).

All of the School Board's services are reported in governmental funds which focus 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 provided a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The relationship (difference) between governmental activities reported in the statement of net position and the statement of activities and governmental funds is reconciled in the financial statements.

Fiduciary Funds

The School Board is the trustee, or fiduciary, for student activity funds. All of the School Board's fiduciary activities are reported in the statements of assets and liabilities which follows the fund financial statements. These activities have been excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Basic Financial Statements

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

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

Condensed Financial Information

The following table presents the statement of net position in a condensed manner and gives comparisons to the previous year:

Comparative Statement of Net Position
As of June 30, 2018 and 2017

(measure is in rounded thousands)

	<u>2018</u>	<u>2017</u>	<u>Amount of Change Increase/ (Decrease)</u>	<u>Percent of Change Increase/ (Decrease)</u>
Assets:				
Current and other assets	\$ 30,338	\$ 32,600	\$ (2,262)	(6.90)%
Capital assets, net	<u>16,352</u>	<u>17,174</u>	<u>(822)</u>	<u>(4.80)%</u>
Total assets	\$ <u>46,690</u>	\$ <u>49,774</u>	\$ <u>(3,084)</u>	<u>(6.20)%</u>
Deferred outflow of pension resources	<u>\$ 13,217</u>	<u>\$ 9,673</u>	<u>\$ 3,544</u>	<u>26.80%</u>
Total deferred outflows of resources	\$ <u>13,217</u>	\$ <u>9,673</u>	\$ <u>3,544</u>	<u>26.80%</u>
Liabilities:				
Current and other liabilities	\$ 1,272	\$ 3,810	\$ (2,538)	(66.70)%
Long-term liabilities	<u>117,819</u>	<u>69,310</u>	<u>48,509</u>	<u>41.20%</u>
Total liabilities	\$ <u>119,091</u>	\$ <u>73,120</u>	\$ <u>45,971</u>	<u>38.60%</u>
Deferred inflows of pension resources	<u>\$ 4,908</u>	<u>\$ 600</u>	<u>\$ 4,308</u>	<u>87.80%</u>
Total deferred inflows of resources	\$ <u>4,908</u>	\$ <u>600</u>	\$ <u>4,308</u>	<u>87.80%</u>
Net position:				
Net investment in capital assets	\$ 16,352	\$ 17,174	\$ (822)	(4.80)%
Restricted	7,577	8,183	(606)	(7.40)%
Unrestricted	<u>(88,021)</u>	<u>(39,630)</u>	<u>(48,391)</u>	<u>54.98%</u>
Total net position	\$ <u>(64,092)</u>	\$ <u>(14,273)</u>	\$ <u>(49,819)</u>	<u>77.70%</u>

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

Changes in Net Position

The results of this year's operations for the School Board as a whole are reported in the statement of activities. The following table presents the information from that Statement in a form comparative to the previous year:

Changes in Net Position for Fiscal Years
Ended June 30, 2018 and 2017

(measure is in rounded thousands)

	<u>2018</u>	<u>2017</u>	<u>Amount of Change Increase/ (Decrease)</u>	<u>Percent of Change Increase/ (Decrease)</u>
<u>General Revenues</u>				
Taxes				
Ad valorem for general purposes	\$ 5,620	\$ 5,722	\$ (102)	(0.02)%
Sales/use for general purposes	5,001	5,135	(134)	(0.03)%
Minimum foundation program	21,869	21,654	215	0.01%
State revenue sharing	126	129	(3)	(0.02)%
Rentals, leases, and royalties	134	151	(17)	(0.11)%
Earned interest	104	77	27	0.26%
Sale of assets/miscellaneous	768	573	195	0.25%
Other LEA Transfers/demolition costs	(1,108)	(1,202)	94	(0.08)%
Total general revenue	<u>\$ 32,514</u>	<u>\$ 32,239</u>	<u>\$ 275</u>	<u>\$ 0.01%</u>
<u>Program Revenues</u>				
Current				
Instruction				
Regular programs	\$ 585	\$ 171	\$ 414	0.71%
Special education programs	242	336	(94)	(0.28)%
Vocational programs	50	50	-	0.00%
Other instructional programs	50	-	50	0.00%
Special programs	1,547	1,339	208	0.13%
Support services				
Student services	315	243	72	0.23%
Instructional staff support	1,135	1,057	78	0.07%
General administration	881	789	92	0.10%
Plant services	2	4	(2)	(0.50)%
Student transportation services	5	6	(1)	(0.17)%
Central services	-	-	-	0.00%
Food services	2,615	2,212	403	0.15%
Total program revenues	<u>\$ 7,427</u>	<u>\$ 6,207</u>	<u>\$ 1,220</u>	<u>\$ 0.16%</u>

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CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

Changes in Net Position (continued)

	<u>2018</u>	<u>2017</u>	<u>Amount of Change Increase/ (Decrease)</u>	<u>Percent of Change Increase/ (Decrease)</u>
<u>Expenses by Function/Programs</u>				
Current				
Instruction				
Regular education programs	\$ 20,902	\$ 15,020	\$ 5,882	0.28%
Special education programs	4,248	3,101	1,147	0.27%
Vocational education programs	715	594	121	0.17%
Other instructional programs	677	478	199	0.29%
Special programs	2,245	1,469	776	0.35%
Support services				
Student support services	2,962	2,057	905	0.31%
Instructional staff services	2,843	1,735	1,108	0.39%
General administration	1,838	1,401	437	0.24%
School administration	3,107	2,233	874	0.28%
Business services	802	501	301	0.38%
Plant services	4,498	3,013	1,485	0.33%
Student transportation services	2,291	1,858	433	0.19%
Central services	573	393	180	0.31%
Food service programs	3,356	2,242	1,114	0.33%
Community service programs	7	5	2	0.29%
Total expenses by function/program	<u>\$ 51,064</u>	<u>\$ 36,100</u>	<u>\$ 14,964</u>	<u>0.29%</u>
Changes in net position	\$ (11,123)	\$ 2,346	\$ (13,469)	(5.74)%
Net position, beginning of period	<u>(52,969)</u>	<u>(16,619)</u>	<u>(36,350)</u>	<u>2.19%</u>
Net position, end of period	<u>\$ (64,092)</u>	<u>\$ (14,273)</u>	<u>\$ (49,819)</u>	<u>3.49%</u>

The most significant changes in revenue, as compared to the previous year are: a decrease in ad valorem taxes of \$102,000, an increase in state equalization funding of \$215,000, a decrease in sales tax collections of \$134,000, and an increase in the sale of assets/ miscellaneous income of \$195,000.

Significant expenditure changes were also noted in both instructional and supportive programs. The most noted are an increase in regular education programs of \$5,882,000, an increase in special education of \$1,147,000, an increase in vocational education programs of \$121,000, an increase in school administration of \$874,000, an increase in student staff services of \$1,108,000, an increase in plant services of \$1,485,000, an increase in student transportation of \$433,000, and an increase in school food services of \$1,114,000.

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

Government-Wide Financial Analysis

As indicated, the School Board's net position decreased by approximately \$11,123,000 as compared to the previous year, which increased net position by \$2,346,000. The general operating account, which is by far the System's largest fund, experienced a growth in the amount of \$445,000. While there were a number of factors, both positive and negative, the General Fund was certainly a driving force in the government-wide statement of net position. Personnel benefits, including health insurance costs, have risen significantly over the past several years. This trend is expected to continue with little relief in sight. Therefore, should this cost continue to rise, there are few options other than the use of current fund balances to cover such cost.

Individual Fund Analysis

As previously discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$29.1 million. Of this amount, approximately \$20.1 million is unassigned, indicating its availability to fund services.

The general operating account indicated an increase in fund balance from the previous year. The June 30, 2018, fund balance increased by approximately \$445,000 over the previous year. This increase may have been contributed to the absence of capital outlay expenditures and the temporary hold on a scheduled accounting software upgrade.

General Fund Budget

A schedule showing the School Board's original and final budget amounts compared with actual amounts is provided in this report as required supplementary information. The following are the amendments to the 2017/2018 fiscal year general fund original budget:

Budget Amendments

The budget is, in fact, a management tool; however, very often staffing and contract salaries are not completed at the time the budget is compiled. Therefore, there were amendments required in several of the programs. The budgeted revenue and expenditures netted a favorable variance. The revenue variance was a positive one at \$1,525,213. The expenditure variance was negative in the amount of \$164,274. The overall excess of the general operating account, as compared to the final budget, was a favorable \$1,360,939. The instructional expenditures reflected a negative variance in the amount of \$556,088. Supportive services programs and capital outlay expenditures reflect an overall positive variance in the amount of \$391,814.

The mentioned variances between the final budget and actual amounts are summarized as follows:

	Variance Positive/Negative (thousands)
Revenue	
Property taxes	\$ 57
Leases, royalties	-
Tuition	-
Earned interest	17
Other local sources	8
State equalization	1,354
In lieu of taxes	126
Other state sources	(37)
Total revenue and other sources	<u>\$ 1,525</u>

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

General Fund Budget (continued)

	Variance Positive/Negative (thousands)
Expenditures	
Instructional programs	\$ (556)
Supportive services programs	384
Capital outlay	8
Total expenditures	\$ (164)

Capital Asset and Debt Administration

Capital Assets

At June 30, 2018, the School Board had \$16,351,620 (net of depreciation) invested in a broad range of capital assets, including land, buildings, furniture, and equipment. This amount represents a net decrease of \$822,533, or slightly more than a 5.0% decrease from the previous year.

Net Investment in Capital Assets at Year End

	2018	2017
Land (nondepreciable)	\$ 456	\$ 456
Construction in progress	-	-
Land improvements	559	559
Buildings and improvements	35,911	35,673
Furniture and equipment	5,181	5,151
Less accumulated depreciation	(25,755)	(24,665)
Totals	\$ 16,352	\$ 17,174

Debt Administration

At June 30, 2018, the School Board had \$724,757 in a promissory note and certificates of indebtedness outstanding. The executed promissory, Taxable QSCB Revenue Bonds, Series 2009, was originally in the amount of \$1,811,900. The bonds mature on March 1 of the years 2010 through 2034. The bonds do not bear interest thereon and are payable from a pledge of the School Board's constitutional ad valorem tax millage, which was levied at 2.81 mills during this fiscal period.

Economic Factors

The most significant changes to the succeeding year's budget have been the increased cost in salaries and group benefits, including health insurance and retirement contributions. Sales tax collections have previously been reported as holding steady, but during this fiscal period the System experienced a small decrease in those taxes. The same holds true for our Ad valorem taxes, as they also are indicated as having a small downturn during the fiscal period. Our area has experienced several recent plant closures resulting in a major shift in expendable dollars. During this fiscal, our Sales tax receipts have decreased by approximately 3%, as has our Ad valorem taxes by a corresponding 2%.

CONCORDIA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

Economic Factors (continued)

The School Board levied a total of 40.4 mills in renewable and constitutional ad valorem taxes for the 2017/2018 fiscal year. This levy was the same basic rate as levied for the previous year. The constitutional tax and renewable taxes are at a set rate approved by the electorate, except for statutorily provided roll-up/roll-back provisions as provided for during reassessment years.

Contacting the School Board's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, students, and creditors with a general overview of the School Board's finances and to show accountability for the money the School Board receives. If you have questions about this report or wish to request additional information, please contact Thomas H. O'Neal, Director of Business Affairs, Post Office Box 950, Vidalia, Louisiana 71373.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CONCORDIA PARISH SCHOOL BOARD

STATEMENT OF NET POSITION

JUNE 30, 2018

	Total
<u>ASSETS</u>	
Cash and cash equivalents	\$ 28,682,439
Receivables	454,737
Due from other governmental agencies	1,094,837
Inventories	42,163
Prepaid expense	63,769
Capital assets:	
Nondepreciable:	
Land	\$ 455,840
Depreciable:	
Land improvements	558,813
Buildings and improvements	35,911,133
Furniture and equipment	5,181,227
Less - accumulated depreciation	<u>(25,755,393)</u>
Net capital assets	16,351,620
Total assets	<u>\$ 46,689,565</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources - pensions	\$ 5,527,280
Deferred outflows of resources - other post-employment benefits	<u>7,689,836</u>
Total deferred outflows of resources	<u>\$ 13,217,116</u>
<u>LIABILITIES</u>	
Cash overdraft	\$ 506,010
Accounts payable and accrued expenses	410,735
Salaries and employee benefits payable	234,303
Long-term liabilities:	
Due within one year:	
Notes and bonds payable	120,793
Due in more than one year:	
Notes and bonds payable	603,964
Compensated absences	706,174
Net pension liability	40,079,451
Post-employment benefit obligation	<u>76,429,593</u>
Total liabilities	<u>\$ 119,091,023</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources - pensions	\$ 2,478,147
Deferred inflows of resources - other post-employment benefits	<u>2,429,275</u>
Total deferred inflow of pension resources	<u>\$ 4,907,422</u>
<u>NET POSITION</u>	
Net investment in capital assets	\$ 16,351,620
Restricted for:	
Salaries and related benefits	5,616,951
Other special purposes	1,960,290
Unrestricted	<u>(88,020,625)</u>
Total net position	<u>\$ (64,091,764)</u>

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<u>Governmental Activities</u>				
Current				
Instruction:				
Regular programs	\$ 20,901,909	\$ -	\$ 584,844	\$ (20,317,065)
Special education programs	4,248,424	-	241,857	(4,006,567)
Vocational programs	714,772	1,840	48,575	(664,357)
Other instructional programs	676,678	-	50,297	(626,381)
Special programs	2,245,125	-	1,547,405	(697,720)
Support services:				
Student services	2,962,220	-	315,124	(2,647,096)
Instructional support staff	2,843,425	-	1,135,061	(1,708,364)
General administration	1,838,089	864,314	16,208	(957,567)
School administration	3,106,825	-	-	(3,106,825)
Business services	801,682	-	-	(801,682)
Plant services	4,497,742	-	1,525	(4,496,217)
Student transportation services	2,290,737	-	4,821	(2,285,916)
Central services	572,849	-	-	(572,849)
Food services	3,356,276	56,047	2,559,106	(741,123)
Community service programs	6,924	-	-	(6,924)
Total governmental activities	\$ 51,063,677	\$ 922,201	\$ 6,504,823	\$ (43,636,653)

General Revenues

Taxes

Property taxes, levied for general and debt service purposes

\$ 5,619,913

Sales taxes levied for:

General purposes

2,000,563

Salaries and related benefits

3,000,844

Grants and contributions not restricted to specific programs:

Minimum foundation program

21,869,170

State revenue sharing

126,204

Rentals, leases, and royalties

133,774

Investment earnings

103,803

Micellaneous

767,297

Local revenue transfers - other LEAs

(1,107,723)

Total general revenues

\$ 32,513,845

Change in net position

\$ (11,122,808)

Net position - beginning, as restated

\$ (52,968,956)

Net position - ending

\$ (64,091,764)

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

CONCORDIA PARISH SCHOOL BOARD

STATEMENT C

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2018

	General Fund	Special Revenue Sales Tax 80% Fund	Special Revenue Sales Tax 40% Fund	Special Revenue Title I Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash and cash equivalents	\$ 20,611,752	\$ 5,512,464	\$ 212,093	\$ -	\$ 2,346,130	\$ 28,682,439
Taxes receivable	-	227,365	227,372	-	-	454,737
Due from other funds	339,007	187,815	-	-	576,567	1,103,389
Receivable from other governments	229,850	-	-	180,860	540,187	950,897
Other receivables	44,641	99,209	90	-	-	143,940
Inventories	-	-	-	-	42,163	42,163
Total assets	<u>\$ 21,225,250</u>	<u>\$ 6,026,853</u>	<u>\$ 439,555</u>	<u>\$ 180,860</u>	<u>\$ 3,505,047</u>	<u>\$ 31,377,565</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Cash overdraft	\$ -	\$ -	\$ -	\$ 73,355	\$ 432,655	\$ 506,010
Accounts payable and accrued expenses	230,271	6,134	-	4,520	169,810	410,735
Due to other funds	229,495	404,768	438,555	12,042	18,529	1,103,389
Salaries and employee benefits payable	89,458	-	-	90,943	53,902	234,303
Total liabilities	<u>\$ 549,224</u>	<u>\$ 410,902</u>	<u>\$ 438,555</u>	<u>\$ 180,860</u>	<u>\$ 674,896</u>	<u>\$ 2,254,437</u>
Fund balances:						
Nonspendable:						
Inventories	\$ -	\$ -	\$ -	\$ -	\$ 42,163	\$ 42,163
Restricted:						
Salaries and related benefits	-	5,615,951	1,000	-	-	5,616,951
Other special purposes	-	-	-	-	1,960,290	1,960,290
Assigned	603,227	-	-	-	827,698	1,430,925
Unassigned	20,072,799	-	-	-	-	20,072,799
Total fund balances	<u>\$ 20,676,026</u>	<u>\$ 5,615,951</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 2,830,151</u>	<u>\$ 29,123,128</u>
Total liabilities and fund balances	<u>\$ 21,225,250</u>	<u>\$ 6,026,853</u>	<u>\$ 439,555</u>	<u>\$ 180,860</u>	<u>\$ 3,505,047</u>	<u>\$ 31,377,565</u>

CONCORDIA PARISH SCHOOL BOARD

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

JUNE 30, 2018

Total Fund Balances, Governmental Funds (Statement C)		\$ 29,123,128
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.

Cost of capital assets	\$ 42,107,013	
Less - accumulated depreciation	<u>(25,755,393)</u>	16,351,620

Deferred outflow of resources are not available to pay for current period expenditures and, therefore, are not reported in the fund financial statements.

Deferred outflow of pension resources	5,527,280	
Deferred outflow of other post-retirement benefits	<u>7,689,836</u>	13,217,116

Long-term liabilities are not due and payable in the current period. Accordingly, they are not reported as liabilities in the governmental funds. All liabilities are reported in the statement of net position.

Compensated absences payable	\$ (706,174)	
Notes and bonds payable	(724,757)	
Net pension liability	(40,079,451)	
Post-employment benefit obligation	<u>(76,429,593)</u>	(117,939,975)

Deferred inflow of resources are not available to pay for current period expenditures and, therefore, are not reported in the fund financial statements.

Deferred inflow of pension resources	(2,478,147)	
Deferred inflow of other post-retirement benefits	<u>(2,429,275)</u>	(4,907,422)

Costs incurred which benefit more than one period are recorded as an expenditure in the governmental funds when paid. The portion relating to the next fiscal year is reported as prepaid expense in the statement of net position.

Insurance premiums		<u>63,769</u>
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Net Position of Governmental Activities (Statement A)		<u>\$ (64,091,764)</u>
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The accompanying notes are an integral part of this financial statement.

CONCORDIA PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

JUNE 30, 2018

	General Fund	Special Revenue Sales Tax 80% Fund	Special Revenue Sales Tax 40% Fund	Special Revenue Title I Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Local sources:						
Taxes:						
Ad valorem	\$ 5,619,913	\$ -	\$ -	\$ -	\$ -	\$ 5,619,913
Sales and use	-	2,499,245	2,502,162	-	-	5,001,407
Services provided to others	-	864,314	-	-	-	864,314
Rentals, leases, and royalties	133,774	-	-	-	-	133,774
Tuition	1,840	-	-	-	-	1,840
Food services	-	-	-	-	56,047	56,047
Investment earnings	76,413	20,601	462	-	6,327	103,803
Other revenue from local sources	250,819	-	-	-	111	250,930
State sources:						
Minimum foundation program	21,829,170	-	-	-	40,000	21,869,170
Revenue in lieu of taxes	126,204	-	-	-	-	126,204
Other revenue from state sources	219,612	-	-	-	296,755	516,367
Federal sources						
	-	-	-	1,673,060	4,831,763	6,504,823
Total revenues	\$ 28,257,745	\$ 3,384,160	\$ 2,502,624	\$ 1,673,060	\$ 5,231,003	\$ 41,048,592
EXPENDITURES						
Current:						
Instruction:						
Regular programs	\$ 14,984,396	\$ 27,040	\$ -	\$ -	\$ 1,064,098	\$ 16,075,534
Special education programs	2,960,747	6,348	-	-	300,343	3,267,438
Vocational programs	492,196	1,058	-	-	56,473	549,727
Other instructional programs	469,516	616	-	50,297	-	520,429
Special programs	4,149	2,158	-	1,151,657	568,748	1,726,712
Support services:						
Student services	1,959,854	3,248	-	43,084	272,040	2,278,226
Instructional support staff	1,065,893	3,082	-	356,618	761,267	2,186,860
General administration	706,584	704,046	40	2,993	-	1,413,663
School administration	2,385,262	4,179	-	-	-	2,389,441
Business services	615,237	1,332	-	-	-	616,569
Plant services	2,315,739	3,750	-	1,525	1,138,173	3,459,187
Student transportation services	1,755,531	1,440	-	-	4,821	1,761,792
Central services	436,820	540	-	3,215	-	440,575
Food services	-	2,955	-	-	2,578,337	2,581,292
Community service programs	5,325	-	-	-	-	5,325
Debt service:						
Principal	-	-	-	-	120,793	120,793
Capital outlay	168,649	-	-	-	99,515	268,164
Total expenditures	\$ 30,325,898	\$ 761,792	\$ 40	\$ 1,609,389	\$ 6,964,608	\$ 39,661,727
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	\$ (2,068,153)	\$ 2,622,368	\$ 2,502,584	\$ 63,671	\$ (1,733,605)	\$ 1,386,865
Other Financing Sources (Uses)						
Local revenue transfers - other LEAs	\$ (1,107,723)	\$ -	\$ -	\$ -	\$ -	\$ (1,107,723)
Transfers in	3,839,084	1,104,121	-	-	2,346,019	7,289,224
Transfers out	(218,443)	(4,429,214)	(2,502,584)	(63,671)	(75,312)	(7,289,224)
Total other financing sources (uses)	\$ 2,512,918	\$ (3,325,093)	\$ (2,502,584)	\$ (63,671)	\$ 2,270,707	\$ (1,107,723)
Net change in fund balances	\$ 444,765	\$ (702,725)	\$ -	\$ -	\$ 537,102	\$ 279,142
Fund balances, beginning	20,231,261	6,318,676	1,000	-	2,293,049	28,843,986
Fund balances, ending	\$ 20,676,026	\$ 5,615,951	\$ 1,000	\$ -	\$ 2,830,151	\$ 29,123,128

The accompanying notes are an integral part of this financial statement.

CONCORDIA PARISH SCHOOL BOARD

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

JUNE 30, 2018

Net change in fund balances - governmental funds	\$	279,142
Amounts reported for governmental activities in the statement of net activities are different because:		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the period.</p>		
Capital outlays	\$	268,164
Less - depreciation expense	<u>(1,090,697)</u>	(822,533)
<p>The cost of pension benefits earned net of employee contributions is reported as an as an element of pension expense. The fund financial statements report pension contributions as an expenditure.</p>		
		1,969,341
<p>Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Principal retirement		120,793
<p>In the statement of activities, certain operating expenses are measured by the amounts consumed during the year. In the governmental funds, however, these expenditures are measured by the amount of financial resources used (essentially, the amounts actually paid).</p>		
(Increase) decrease in vacation and sick leave accrued		532,393
(Increase) decrease in net pension related items		(7,411,453)
(Increase) decrease in post-employment benefit obligation		<u>(5,790,491)</u>
Change in net position of governmental activities	\$	<u>(11,122,808)</u>

The accompanying notes are an integral part of this financial statement.

FIDUCIARY FUNDS

CONCORDIA PARISH SCHOOL BOARD

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS

JUNE 30, 2018

	<u>Sales Tax Agency Fund</u>	<u>School Activity Agency Fund</u>	<u>Total Fiduciary Funds</u>
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ -	\$ 530,200	\$ 530,200
Investments	-	136,389	136,389
	<u>\$ -</u>	<u>\$ 666,589</u>	<u>\$ 666,589</u>
Total assets	<u>\$ -</u>	<u>\$ 666,589</u>	<u>\$ 666,589</u>
<u>LIABILITIES</u>			
Accounts payable	\$ -	\$ 13,643	\$ 13,643
Deposits due to others	-	652,946	652,946
	<u>\$ -</u>	<u>\$ 666,589</u>	<u>\$ 666,589</u>
Total liabilities	<u>\$ -</u>	<u>\$ 666,589</u>	<u>\$ 666,589</u>

The accompanying notes are an integral part of this financial statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Concordia Parish School Board was created by Louisiana Revised Statute (LA-R.S.) 17:51 to provide public education for the children within Concordia Parish. The Concordia Parish School Board is authorized by LA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The Concordia Parish School Board is comprised of nine members, who are elected from five voting wards for terms of four years. Members are elected from wards 1, 2, 3, 4, and 5.

The Concordia Parish School Board operated 10 schools within the Parish and had a total enrollment of 3,399 students for the year ended June 30, 2018, based on the October 2018 official MFP student count. In conjunction with the regular educational programs, some of these schools offer special educations. In addition, the Concordia Parish School Board provides transportation and school food services for the students.

The financial statements of the Concordia 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. GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

The Concordia Parish School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the Concordia Parish 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 Concordia Parish School Board also has no component units defined as other legally separate organizations for which the elected Concordia Parish School Board members are financially accountable. There are no other primary governments with which the Concordia Parish School Board has a significant relationship.

Because the Concordia Parish School Board has a separately elected governing body and is legally separate and fiscally independent, the Concordia Parish School Board is a separate governmental reporting entity. For financial reporting purposes, the Concordia Parish School Board's financial statements include all funds, schools, agencies, and committees for which the Concordia Parish School Board is financially accountable. The Concordia Parish School Board is not aware of any other entities that should be included within the financial statements.

B. Basis of Presentation

The Concordia Parish School Board's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the School Board as a whole.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Government-Wide Financial Statements (continued)

Fiduciary activities are not included at the government-wide reporting level. Fiduciary funds are reported only in the fiduciary funds Statement of Assets and Liabilities at the fund financial statement level. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and Concordia Parish School Board general revenues, from business-type activities (if any), generally financed in whole or in part with fees charged to external customers. The activity of internal service funds (if any), is eliminated to avoid duplicating revenues and expenses. The Concordia Parish School Board does not have any business-type activities or internal service funds.

The Statement of Net Position presents the financial position of the governmental activities at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Concordia Parish School Board's governmental activities. Direct expenses are those that are specifically associated with a function, and therefore, clearly identifiable to that particular function. The Concordia Parish School Board charges indirect expenses to functions in the Statement of Activities. The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the Concordia Parish School Board's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, sales taxes, minimum foundation program receipts, state revenue sharing, interest, and other unrestricted revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the School Board.

Fund Financial Statements

The accounting System is organized on the basis of funds. The financial transactions of the Concordia Parish School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues, and expenditures. 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.

Funds of the Concordia Parish School Board are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate "fund types." The Concordia Parish School Board uses the following fund types: governmental funds are used to account for all or most of the Concordia Parish School Board's general activities, including the collection and disbursement of specifically or legally restricted monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), the servicing of general long-term debt (debt service funds), and the recording of activity related to endowment funds (permanent funds). The fund financial statements report financial information by major funds and nonmajor funds.

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. *Basis of Presentation* (continued)

Fund Financial Statements (continued)

The following governmental funds are considered major funds:

- General Fund - this fund is the general operating fund of the School Board and accounts for all financial resources, except those required to be accounted for in other funds.
- Sales Tax 80% Fund - this fund accounts for the monthly collection of the School Board's one percent Parish sales tax. The fund also accounts for the use of the tax as (1) salaries and expenditures directly relating to the collection process, (2) expenditures relating to retirement and group insurance programs, (3) transfers to the Sales Tax 20% Special Revenue Fund, and (4) transfers to other funds for the payment of salaries.
- Sales Tax 40% Fund - this fund accounts for the portion (40 percent) of the School Board's additional one percent Parish sales taxes to supplement other revenues available for the payment of salaries of teachers and other personnel and for providing unemployment compensation benefits, retirement, and other insurance programs.
- Title I Fund - this fund accounts for Title I funds designed to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low income families. The program is federally financed, state-administered, and locally operated by the School Board. The activities supplement, rather than replace, state and locally mandated activities.

All other funds are considered nonmajor funds. Descriptions for these funds can be found at the beginning of the nonmajor governmental funds combining statements.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. There are two fiduciary funds:

- School Activity Agency Fund accounts are for monies generated by the individual schools and certain organizations within the schools of Concordia Parish. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.
- The Sales Tax Agency Fund accounts for the collection of sales taxes by the sales tax department of the School Board on behalf of various taxing authorities located within the Parishes of Catahoula, Concordia, East Carroll, Caldwell, LaSalle, and Tensas.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

The more significant of the School Board's accounting policies are described below.

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for government funds. The primary effect of internal activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (collected within 90 days after year-end, except for ad valorem taxes, where 60 days is used). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debts are recorded as fund liabilities when due. Budgets are prepared and adopted using the same basis of accounting. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. LA-R.S. 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the current year.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Governmental Funds (continued)

Revenues (continued)

Federal and state entitlements (which include state equalization and state revenue sharing) are recorded when available and measurable. State equalization entitlement funds are recognized when the School Board is entitled to them. State revenue sharing, which is based on population and homesteads in the Parish, is recorded as revenue in lieu of taxes in the year received, which coincides with the recognition of the related ad valorem taxes discussed above. Federal and state grants are recorded when the School Board is entitled to the funds, usually after reimbursable expenditures have been incurred.

Sales taxes are recognized in the period when the underlying sales or use transaction occurred.

Federal commodities are recognized as revenues when received.

Revenue from services provided to other local governments is recorded as other revenues from local sources when the School Board is entitled to the funds.

Interest earnings on time deposits are recognized as revenue when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when received by the School Board.

Based on the above criteria, sales taxes, federal and state grants, and certain revenues from local sources have been treated as susceptible to accrual.

Expenditures

Salaries are recorded as expenditures when earned by employees. The salaries for teachers and most other school-level employees are earned over a nine-month period but may be paid over a twelve-month period.

Purchases of various operating supplies, etc., are recorded as expenditures in the accounting period in which they are purchased.

Food costs are recognized as expenditures in the accounting period in which the food is consumed.

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

Substantially all other expenditures are recognized when the related fund liability has been incurred.

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Governmental Funds (continued)

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, proceeds from indebtedness, the sale of fixed assets, and proceeds for insurance 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 School Board currently has two agency fiduciary funds. Agency funds, unlike all other types of funds, report only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

C. Budget and Budgetary Accounting

Preliminary budgets for the ensuing years are prepared by the business manager and made available for public inspection and comments from the taxpayers at the School Board office during August. At a Board meeting in September, a public hearing is held and the proposed budgets are legally adopted by the School Board. The budgets, which include proposed expenditures and the means of financing them, are published in the official journal at least 15 days prior to the public hearings.

The School Board adopted budgets for the General Fund, all special revenue funds, and the debt service fund. Budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year-end and must be reappropriated during the following year, to be expended. Formal budget integration (within the accounting records) is employed as a management control device. The superintendent of schools is authorized to transfer amounts between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by five percent or more and/or actual expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budget amounts included in the accompanying required supplementary information include the original adopted budget and all subsequent amendments.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits with an original maturity of three months or less from the date of acquisition.

E. Certificates of Deposit

The bank certificates of deposit have a maturity of more than three months when purchased. These certificates of deposit are stated at cost which approximates fair value.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Investments

Investments are reported at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. U.S. Treasury notes are valued based on quoted market prices. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Securities traded on national securities exchanges are valued at the last reported sales price on the last business day of the year. Investments traded in the over-the-counter market are valued at the average of the last reported bid and asked prices. Mortgages have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar investments.

G. Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all accounts at year-end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

H. Short-Term - Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivable" or "interfund payable" on the balance sheet. These interfund receivables/payables are eliminated for reporting in the Statement of Net Position.

I. Inventory

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used. Inventory of the School Lunch Special Revenue Fund consists of foods purchased by the School Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Commodities are recorded as revenues, based on value information from the USDA, when received. All purchased inventory items are valued at actual cost. Inventory is recorded as expenditures when consumed, using a first-in, first-out basis. Inventory on hand at year-end is reported as nonexpendable fund balance to indicate that it is not a part of expendable available financial resources.

J. Prepaid Expenses

In the Government-Wide Financial Statements, insurance premiums paid during the current fiscal year that benefit the next fiscal year are set up as prepaid expenses. In the Fund Financial Statements, these premiums are recorded as expenditures when paid.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Capital Assets

In the Government-Wide Financial Statements, capital assets are capitalized and depreciated on a straight-line method over their estimated useful lives. The School Board has adopted a capitalization threshold of \$5,000 for reporting purposes. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. A breakdown of the asset valuation between actual and estimated cost is not available. Donated capital assets, if any, are valued at their estimated fair market value on the date received. Estimation of useful lives in years is as follows:

Computer equipment	5 years
Copier equipment	5 years
Office equipment	10 years
Furniture	20 years
Custodial equipment	15 years
Food service equipment	15 years
Automotive equipment	20 years
Teaching equipment	10 years
Musical equipment	10 years
Athletic equipment	10 years
Vehicles	5-8 years
Machinery and tools	15 years
Buildings	25-45 years
Building improvements	10-30 years
Land improvements	10-25 years
Tractors and lawn mowers	15 years

Expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives or improve their efficiency or capacity are capitalized, whereas expenditures for repairs and maintenance are expensed. Interest costs on debt used to finance the construction of assets are not capitalized.

In the Fund Financial Statements, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds.

No provision is made for depreciation on capital assets in the fund financial statements since the full cost is expensed at the time of purchase or construction.

L. Compensated Absences

Vested or accumulated sick or vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. This includes payments that come due before the end of the reporting period upon the occurrence of employee resignation, retirement, or death that will be paid during the first month of the following year. Vested or accumulated leave is not reported in the fund financial statements. The full liability and related costs are reported in the Government-Wide Financial Statements.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Compensated Absences (continued)

All twelve-month employees earn from 10 to 15 days of vacation leave each year, depending upon length of service with the School Board. Prior to June 30, 2009, vacation leave could be accumulated with no maximum. All vacation leave accumulated to June 30, 2009, was retained by those employees. Effective July 1, 2009, vacation leave can be accumulated up to a maximum of two weeks. Upon separation from service, all unused vacation leave is paid to the employee.

All School Board employees earn 10 days of sick leave each year that can be accumulated without limitation. Upon retirement or death, employees or their heirs are paid for up to 25 days of accumulated sick leave at the employee's current rate of pay. The estimated liability for vested sick leave benefits is considered long-term and is not recorded in the fund financial statements. The estimated liability includes required salary-related payments. Under the Louisiana Teachers' Retirement System, all accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers' Retirement System and for sick leave earned under the Louisiana School Employees' Retirement System, all accumulated sick leave, excluding the 25 days paid to the employee, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for professional and cultural improvement and for medical reasons. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Professional and cultural improvement sabbaticals are restricted in nature as a condition of the leave and, therefore, are considered only a change in the types of services being rendered and not subject to accrual. Medical sabbaticals require the use of virtually all sick leave before a sabbatical can be taken and are not material. Sabbatical leave benefits are recorded as expenditures in the period paid.

M. Long-Term Liabilities

Long-term liabilities expected to be financed from governmental funds are not reported in the balance sheet for the fund financial statements. All liabilities, including long-term debt, are included on the face of the statements of net position in the Government-Wide Financial Statements as the interest accrues, regardless of when it is due.

N. Net Position

The net position is reported as restricted when constraints placed on the net position's use is either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

In cases where restricted and unrestricted monies are received by the School Board for the same function or purpose, the restricted monies are used first.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Fund Balances

Nonspendable fund balances include amounts that cannot be spent because they are either not in a spendable form or legally or contractually required to be maintained intact. Restricted fund balances represent those portions of fund balance that are restricted to specific purposes by external parties, such as creditors, grantors, contributors, or laws or regulations of other governments or by law through constitutional provisions or enabling legislation. Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is the nine-member School Board. Formal action of the school to establish or rescind committed funds is by adopting a resolution in a public meeting. Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balances. In cases where restricted and unrestricted monies are received by the School Board for the same function or purpose, the restricted monies are used first. Unrestricted monies are then spent in the following order: committed, assigned, and unassigned.

P. Interfund Transactions

In the governmental funds, 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 are reported as transfers.

Interfund balances are eliminated in the Government-Wide Financial Statements.

Q. Sales Tax

On April 1, 1978, the voters of Concordia Parish approved the assessment of a one percent sales tax. Eighty percent of the proceeds of the tax is dedicated to the payment of salaries and related benefits of teachers and other School Board employees. The remaining twenty percent of the proceeds is dedicated to purchase and improve school lands, buildings, and equipment and to provide educational and instructional supplies. This tax is collected by the School Board and has no expiration date.

During the year ended June 30, 1994, the voters of Concordia Parish approved an additional one percent sales tax. Sixty percent of the proceeds of the tax is dedicated to repairs and upkeep of buildings, plant services, and instructional materials and supplies. The remaining forty percent of the proceeds is dedicated to salaries and related benefits of teachers and other School Board employees. This tax is collected by the School Board and was renewed by voter approval with a current expiration date of December 31, 2020.

R. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the School Board has only two that qualify for reporting in this category, deferred outflows of pension resources and other post-employment benefits.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as inflows of resources (revenues) until that time. The School Board has only two items that qualify for reporting in this category, deferred inflows of pension resources and other post-employment benefits. These amounts will be recognized as an inflow of resources in the period that the amounts become available.

T. GASB Statement 74 and GASB Statement 75

Effective for the year ending June 30, 2018, the Concordia Parish School Board implemented GASB Statement 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans* and GASB Statement 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*. The guidance contained in these statements changed how governments calculate and report the costs and obligations associated with other post-employment benefits in important ways. It is designed to improve the usefulness of reported other post-employment benefit information and to increase the transparency, consistency, and comparability of other post-employment benefit information across governments. While this information will, in some cases, give the appearance that a government is financially weaker than it was previously, the financial reality of the government's situation will not have changed.

These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. For defined benefit other post-employment benefit, these Statements identify the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. These statements also require enhanced note disclosures and schedules of required supplementary information that will be presented by the other post-employment benefit that are within its scope.

NOTE 2 – LEVIED TAXES

The following is a summary of authorized and levied ad valorem tax millage for the year ended June 30, 2018:

	<u>Authorized</u>	<u>Levied</u>	<u>Expiration Date</u>
Parish-wide taxes:			
Constitutional	2.81	2.81	Indefinite
Additional support for maintaining and operating of Parish schools	24.74	24.74	2022
Additional construction and operations	12.86	12.86	2024

The authorized millages are based on the reassessment of tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 2 – LEVIED TAXES (continued)

The Sheriff of Concordia Parish, as provided by state law, is the official tax collector of general property taxes levied by the Concordia Parish School Board. For the fiscal year ending June 30, 2018, the property tax calendar was approximately as follows:

Millage rates adopted	August 17, 2018
Levy date	November 16, 2018
Lien date	November 23, 2018
Tax bills mailed	November 17, 2018
Due date	December 31, 2018
Delinquent date	January 1, 2019

NOTE 3 – CASH AND CASH EQUIVALENTS, CERTIFICATES OF DEPOSIT, AND INVESTMENTS

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 or any other state of the United States, or under the laws of the United States. At June 30, 2018, the School Board had cash and cash equivalents and certificates of deposit as follows:

Net cash and cash equivalents – governmental funds	\$ 28,682,439
Cash overdraft – governmental funds	(506,010)
Cash and cash equivalents – fiduciary funds	530,200
Investments – fiduciary funds	136,389
	<u>\$ 28,843,018</u>

These deposits are stated at cost. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial Credit Risk Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. As of June 30, 2018, the School Board's bank balance of \$33,189,617 was covered by deposit insurance or collateral held by the School Board or the School Board's agents in the School Board's name.

NOTE 4 – RECEIVABLES

Receivables totaled \$1,549,574 at June 30, 2018, as follows:

As reported in the Governmental Funds Balance Sheet:

Taxes receivable	\$ 454,737
Other receivables	143,940
Subtotal	\$ 598,677
Due from other governmental agencies	950,897
Total	<u>\$ 1,549,574</u>

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 4 - RECEIVABLES (continued)

Description	Sales Taxes	Federal and State Grants	Other	Total
General Fund	\$ -	\$ 229,850	\$ 44,641	\$ 274,491
Sales Tax 80% Fund	227,365	-	99,209	326,574
Sales Tax 40% Fund	227,372	-	90	227,462
Title I	-	180,860	-	180,860
Other Governmental Funds	-	540,187	-	540,187
Total	<u>\$ 454,737</u>	<u>\$ 950,897</u>	<u>\$ 143,940</u>	<u>\$ 1,549,574</u>

NOTE 5 - INTERFUND ASSETS, INTERFUND LIABILITIES, AND OPERATING TRANSFERSDue from/to Other Funds

Individual balances due from/to other funds at June 30, 2018, are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Sales Tax 80% Fund	\$ 310,177
General Fund	Title I Fund	12,041
General Fund	Other Governmental Funds	16,789
Sales Tax 80% Fund	Sales Tax 40% Fund	187,811
Other Governmental Funds	General Fund	226,450
Other Governmental Funds	Sales Tax 80% Fund	99,377
Other Governmental Funds	Sales Tax 40% Fund	250,744
Total		<u>\$ 1,103,389</u>

Balances at June 30, 2018, resulted from the routine lag between the dates that interfund goods or services are provided and reimbursable expenditures occur. Transactions are recorded in the accounting system, and payments between funds are made to satisfy the balances.

Transfer In	Transfer Out	Amount
General Fund	Sales Tax 80% Fund	\$ 3,700,101
General Fund	Title I Fund	63,671
General Fund	Other Governmental Funds	82,343
Sales Tax 80% Fund	General Fund	13,342
Sales Tax 80% Fund	Sales Tax 40% Fund	1,090,779
Other Governmental Funds	General Fund	218,443
Other Governmental Funds	Sales Tax 80% Fund	708,740
Other Governmental Funds	Sales Tax 40% Fund	1,411,805
Total		<u>\$ 7,289,224</u>

Transfers are used to (1) move revenues from the fund required by statute, voter-approved resolution, or budget to collect them to the fund required by statute or budget to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated				
Land	\$ 455,840	\$ -	\$ -	\$ 455,840
Total capital assets, not being depreciated	<u>\$ 455,840</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,840</u>
Other capital assets being depreciated				
Land improvements	\$ 558,813	\$ -	\$ -	\$ 558,813
Buildings and improvements	35,673,105	238,028	-	35,911,133
Furniture and equipment	<u>5,151,091</u>	<u>30,136</u>	-	<u>5,181,227</u>
Total capital assets being depreciated	<u>\$ 41,383,009</u>	<u>\$ 268,164</u>	<u>\$ -</u>	<u>\$ 41,651,173</u>
Less accumulated depreciation for:				
Land improvements	\$ (374,794)	\$ -	\$ -	\$ (374,794)
Buildings and improvements	(19,806,166)	(962,229)	-	(20,768,395)
Furniture and equipment	<u>(4,483,736)</u>	<u>(128,468)</u>	-	<u>(4,612,204)</u>
Total accumulated depreciation	<u>\$ (24,664,696)</u>	<u>\$ (1,090,697)</u>	<u>\$ -</u>	<u>\$ (25,755,393)</u>
Total capital assets being depreciated, net	<u>\$ 16,718,313</u>	<u>\$ (822,533)</u>	<u>\$ -</u>	<u>\$ 15,895,780</u>
Governmental-type activities capital assets, net	<u>\$ 17,174,153</u>	<u>\$ (822,533)</u>	<u>\$ -</u>	<u>\$ 16,351,620</u>

Depreciation expense was charged to the following governmental functions:

Governmental Activities

Instruction:

Regular programs	\$ 968,374
Special education programs	14,113
Vocational education programs	3,257
Other instructional programs	2,171
Special programs	3,257
Support services:	
General administration	6,631
Business services	3,257
Plant services	14,113
Student transportation services	44,510
Food services	<u>31,014</u>

Total depreciation expense for governmental activities \$ 1,090,697

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 - CHANGES IN AGENCY DEPOSITS DUE OTHERS

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

	Sales Tax And Other	School Activity	Total
Balance at July 1, 2018	\$ -	\$ 690,953	\$ 690,953
Additions	41,826,583	1,316,914	43,143,497
Reductions	(41,826,583)	(1,341,278)	(43,167,861)
Balance at June 30, 2018	<u>\$ -</u>	<u>\$ 666,589</u>	<u>\$ 666,589</u>

NOTE 8 - SALES AND OTHER TAXES

The amount of taxes collected and distributed for the current year was as follows:

Riverland Medical Center	\$ 621,218
Concordia Parish Police Jury	2,780,044
City of Vidalia	2,794,773
City of Ferriday	1,237,879
Tensas Parish School Board	684,396
Tensas Parish Police Jury	1,660,859
Tensas Parish Law Enforcement	114,122
Town of Newellton	100,388
Town of St. Joseph	170,472
Town of Waterproof	31,128
Catahoula Parish School Board	1,762,597
Catahoula Parish School Board No. 2	877,554
Catahoula Parish Police Jury	1,863,700
Catahoula Parish Law Enforcement	877,520
Town of Jonesville	526,222
City of Tallulah	150
Town of Harrisonburg	23,071
East Carroll Parish School Board	2,912,928
East Carroll Parish Police Jury	1,075,683
East Carroll Parish Law Enforcement	970,495
Lake Providence	616,622
LaSalle Parish School Board	6,926,532
Town of Jena	1,177,681
Town of Olla	275,976
Caldwell Parish School Board	2,115,959
Citizens Medical Center	1,057,159
CPTC	1,038
Town of Urania	15,003
Caldwell Parish Police Jury	2,084,021
Vidalia RFDD	89,540
LaSalle Parish Law Enforcement	1,154,423
Town of Columbia	240,330
Town of Tullos	25,121
Concordia Parish School Board Sales Tax 80%/20%	2,477,105
Concordia Parish School Board Sales Tax 40%/60%	2,484,874
Total	<u>\$ 41,826,583</u>

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 9 - LONG-TERM LIABILITIES

General Obligation Debts

General obligation liabilities are direct obligations and pledge full faith and credit of the School Board.

During a prior year, the School Board issued Revenue Bonds (Taxable QSCB), Series 2009, in the amount of \$1,811,900. The bonds mature on March 1 of the years 2010 through 2034. In accordance with provisions of the Qualified School Construction Bonds federal program, the bonds issued by the School Board do not bear interest thereon. The revenue bonds are payable from the pledge and dedication of the funds to be derived from the levy, and collection of the constitutional ad valorem tax millage, currently set at 2.81 mills annually. The bonds were issued to provide funds for the purpose of construction, rehabilitation, and/or repair of public school facilities within the District.

In addition, the School Board's obligation relative to the liability for compensated absences is also reported as a general obligation debt.

A summary of changes in the general long-term obligation is as follows:

	<u>Notes/Bonds Payable</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance at July 1, 2017	\$ 845,550	\$ 1,241,567	\$ 2,087,117
Additions	-	37,375	37,375
Deductions	(120,793)	(572,768)	(693,561)
Balance at June 30, 2018	<u>\$ 724,757</u>	<u>\$ 706,174</u>	<u>\$ 1,430,931</u>
	<u>Balance June 30, 2018</u>	<u>Due Within One Year</u>	<u>Due in More Than One Year</u>
Notes and bonds payable	\$ 724,757	\$ 120,793	\$ 603,964
Compensated absences	706,174	89,471	616,703
Total	<u>\$ 1,430,931</u>	<u>\$ 210,264</u>	<u>\$ 1,220,667</u>

The annual requirement to amortize outstanding long-term debt, other than compensated absences is as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2019	\$ 120,793	\$ -	\$ 120,793
2020	120,793	-	120,793
2021	120,793	-	120,793
2022	120,793	-	120,793
2023	120,793	-	120,793
2024	120,792	-	120,792
Total	<u>\$ 724,757</u>	<u>\$ -</u>	<u>\$ 724,757</u>

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OPERATING LEASE

The School Board currently conducts its business in leased facilities located in Vidalia, Louisiana. The lease commenced on September 1, 2001, and expires on August 31, 2026. The lease contains an option for a ten-year renewal period upon completion of the lease term. The lease is considered to be an operating lease. Lease expenditures for the year ended June 30, 2018, amount to \$30,000.

Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>		
2019	\$	30,000
2020		30,000
2021		30,000
2022		30,000
2023		30,000
2024-2026		<u>90,000</u>
Total		<u>\$ 240,000</u>

NOTE 11 - NET POSITION AND FUND BALANCES

Nonspendable Fund Balances

The School Board has recorded a nonspendable fund balance of \$42,163 for unused food inventories in the fund financial statements. This amount is recorded as unrestricted net position in the Government-Wide Financial Statements.

Restricted Fund Balances

In accordance with the provisions of the sales tax propositions passed by the voters on April 1, 1978 and June 30, 1994, the Concordia Parish School Board has a \$5,616,951 restriction on the total fund balance and net position for salaries and related benefits of all School Board employees from enabling legislation. The School Board has a \$244,400 restriction on fund balance and net position to purchase and improve school lands, buildings, and equipment and to provide educational and instructional supplies in accordance with the provision of the sales tax proposition passed by the voters on April 1, 1978. The School Board has a \$1,696,690 restriction on the fund balance and net position to repair and upkeep the buildings, plant services, and provide instructional materials and supplies in accordance with provision of the sales tax proposition passed by the voters on June 30, 1994. These restrictions are maintained in Sales Tax Special Revenue Funds and are a result from the wording of the sales tax resolution approved by voters. The School Board also has a \$19,200 restriction on the remaining fund balance and net position to provide instructional enhancement for students from the Education Excellence Fund.

Assigned Fund Balances

School Lunch/Breakfast Fund accounts for monies received from federal, state, and local sources through grants, equalization funds, and fees charged for meals. The remaining balance in this fund totaling \$827,698 is shown as assigned fund balance for the governmental funds and unrestricted net position on the Government-Wide Financial Statements.

In accordance with the School Board's intent, they have assigned \$603,227 of the General Fund balance for subsequent years' expenditures arising from liability insurance claims. This amount is shown as unrestricted net position on the Government-Wide Financial Statements.

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS

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

A. Teachers' Retirement System of Louisiana (TRSL)

General Information about the Pension Plan

Plan Description. Employees of the School Board are provided with pensions through a cost-sharing, multiple-employer, defined benefit plan administered by the Teachers' Retirement System of Louisiana (TRSL). Section 11:401 of the Louisiana Revised Statutes grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the Plan. TRSL issues a publicly available financial report that is available for download at www.trsl.org.

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

1. Retirement

Normal Retirement

- a. *Regular Plan* - Members whose first employment makes them eligible for membership in a Louisiana state retirement System on or after July 1, 2015, may retire with a 2.5% accrual rate after attaining age 62 with at least five years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015, may retire with a 2.5% benefit factor after attaining age 60 with at least five years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015, may retire with a 2.5% benefit factor after attaining age 60 with at least five years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between July 1, 1999 and December 31, 2010, are eligible for a 2.5% benefit factor at the earliest of age 60 with five years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2.0% benefit factor at the earliest of age 60 with five years of service, or at any age with 20 years of service and are eligible for a 2.5% benefit factor at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.
- b. *Plan A* - Members may retire with a 3.0% benefit factor at age 55 with 25 years of service, age 60 with five years of service, or any age with 30 years of service. Plan A is closed to new entrants.
- c. *Plan B* - Members may retire with a 2.0% benefit factor at age 55 with 30 years of service, or age 60 (first employed between January 1, 2011 through June 30, 2015) with five years of service, or age 62 (first employed after July 1, 2015) with five years of service, or an actuarially reduced benefit with 20 years of service at any age.

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

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

A. Teachers' Retirement System of Louisiana (TRSL) (continued)

1. Retirement (continued)

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

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

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

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

2. Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed three 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, 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.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

A. Teachers' Retirement System of Louisiana (TRSL) (continued)

3. Disability Retirement Benefits

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

4. Survivor Benefits

A surviving spouse with minor children of an active member with five years of creditable service (two years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (1) \$600 per month, or (2) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of two) shall receive an amount equal to the greater of (1) 50% of the spouse's benefit, or (2) \$300 per month (up to two eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23, if enrolled in an approved institution of higher education.

A surviving spouse without minor children of an active member with 10 years of creditable service (two years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (1) \$600 per month, or (2) the option two equivalent of the benefit calculated at the 2.5% benefit factor for all creditable service.

5. Permanent Benefit Increases/Cost-of-Living Adjustments

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

Contributions - The employer contribution rate is established annually under LA-R.S. 11:1-1-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2018, are as follows:

<u>Plan</u>	<u>Plan Type</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Total</u>
K-12 Regular Plan	Sub	8.0%	26.6%
Higher Education Regular Plan	Sub	8.0%	25.4%
Plan A	Sub	9.1%	26.6%
Plan B	Sub	5.0%	26.6%
ORP	ORP	8.0%	22.2%

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

A. Teachers' Retirement System of Louisiana (TRSL) (continued)

5. Permanent Benefit Increases/Cost-of-Living Adjustments (continued)

The School Board's contractually required composite contribution rate for the year ended June 30, 2018, was .36774% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$4,771,683 for the year ended June 30, 2018.

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

At June 30, 2018, the School Board reported a liability of \$37,700,561 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the School Board's proportion was .36774%.

For the year ended June 30, 2018, the School Board recognized pension expense of \$2,913,673.

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,239,268
Changes of assumptions	397,553	-
Net difference between projected and actual earnings on pension plan investments	-	973,737
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	<u>4,771,683</u>	<u>-</u>
Total	<u>\$ 5,169,236</u>	<u>\$ 2,213,005</u>

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

A. Teachers' Retirement System of Louisiana (TRSL) (continued)

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

\$4,771,683 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2019	\$	(917,907)
2020	\$	371,160
2021	\$	(264,051)
2022	\$	(1,004,664)

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

Valuation date	June 30, 2018
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Expected remaining service lives	5 years
Investment rate of return	7.70%, net of investment expenses
Inflation rate	2.5% per annum
Mortality	Mortality rates based on the RP-2000 Mortality Table with projection to 2025, using Scale AA
Termination, disability, and retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2008-2012) experience study of the System's members
Salary increases	3.50% - 10.0%; varies depending on duration of service
Cost-of-living adjustments	None

The actuarial assumptions used in the June 30, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2007 and ending June 30, 2012.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

A. Teachers' Retirement System of Louisiana (TRSL) (continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Domestic equity	27%	4.28%
International equity	19%	4.96%
Domestic fixed income	13%	1.98%
International fixed income	6%	2.75%
Alternatives	35%	11.98%
	<u>100.0%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.70%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.70%) or one percentage point higher (8.70%) than the current rate:

	<u>Changes in Discount Rate 2018</u>		
	<u>1% Decrease (6.70%)</u>	<u>Current Discount Rate (7.70%)</u>	<u>1% Increase (8.70%)</u>
Employer's proportionate share of the net pension liability	\$ 48,578,033	\$ 37,700,561	\$ 28,447,358

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

A. Teachers' Retirement System of Louisiana (TRSL) (continued)

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

Support of Nonemployer Contributing Entities. Contributions received by a pension plan from nonemployer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these nonemployer contributing entities. During the year ended June 30, 2018, the School Board recognized revenue as a result of support received from nonemployer contributing entities of \$142,548 for its participation in TRSL.

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

B. Louisiana School Employees' Retirement System (LSERS)

General Information about the Pension Plan

Plan Description. Employees of Concordia are provided with pensions through a cost-sharing, multiple-employer defined benefit plan administered by the State of Louisiana School Employees' Retirement System (LSERS). Section 11:1001 of the Louisiana Revised Statutes grants to LSERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the Plan. LSERS issues a publicly available financial report that is available for download at www.lsers.net.

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

1. Retirement

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

For members who joined the System prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3.33% of the average compensation for the three highest consecutive years of membership service, subject to the 10.0% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation, plus a supplemental 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, 3.33% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10.0% salary limitation. For members who joined the System on or after July 1, 2010, 2.5% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15.0% salary limitation. The supplementary allowance was eliminated for members entering the System on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

B. Louisiana School Employees' Retirement System (LSERS) (continued)

2. Deferred Retirement Benefits

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

The System maintains sub-accounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with LA-R.S. 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may receive his/her DROP monies either in a lump sum payment from the account or systematic disbursements.

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

3. Disability Retirement Benefits

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement, and has become totally and permanently disabled and is certified as disabled by the State Medical Disability 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 joins the System on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the System provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

4. Initial Benefit Retirement Plan

Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit, or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time, single-sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with LA-R.S. 11:1152(F)(3).

Contributions. Contributions for all participating school Boards are actuarially determined as required by Act 81 of 1988, but cannot be less than the rate required by the Constitution.

The employer's contribution rate for the year ended June 30, 2018, was 27.3% of annual payroll, with the employee contributing 7.5% of annual payroll. Contributions to the pension plan from the School Board were \$293,731 for the year ended June 30, 2018.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

B. Louisiana School Employees' Retirement System (LSERS) (continued)

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

At June 30, 2018, the Concordia Parish School Board reported a liability of \$2,378,890 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the School Board's proportion was .371744%.

For the year ended June 30, 2018, the School Board recognized pension expense of \$218,356, less employer's amortization of change in the proportionate share and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources, totaling \$182,400.

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 55,474
Changes of assumptions	49,880	37,059
Net difference between projected and actual earnings on pension plan investments	-	37,198
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,433	135,411
Employer contributions subsequent to the measurement date	<u>293,731</u>	<u>-</u>
Total	<u>\$ 358,044</u>	<u>\$ 265,142</u>

\$293,731 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ (133,672)
2020	\$ 3,717
2021	\$ 15,680
2022	\$ (86,554)

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

B. Louisiana School Employees' Retirement System (LSERS) (continued)

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

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

Valuation date	June 30, 2018
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Expected remaining service lives	3 years
Investment rate of return	7.125% per annum
Inflation rate	2.625% per annum
Mortality	Mortality rates based on the RP-2000 Sex-Distinct Mortality Table
Salary increases	Salary increases were projected based on a 2008-2012 experience study of the Plan's members. The annual salary growth rates are based upon the members' years of service.
Cost-of-living adjustments	Cost of living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the Plan has met the criteria and eligibility requirements outlined by Act 399 of 2014.

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. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	30%	1.82%
Equity	51%	3.10%
Alternative	13%	.79%
Real assets	6%	.36%
Total	<u>100%</u>	<u>6.07%</u>
Inflation		<u>2.00%</u>
Expected arithmetic nominal return		<u>8.07%</u>

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - RETIREMENT SYSTEMS (continued)

B. Louisiana School Employees' Retirement System (LSERS) (continued)

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

Discount Rate. The discount rate used to measure the total pension liability was 7.125%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current contribution rate and that contributions from participating employers will be made at the difference actuarially determined rates approved by PRSAC, taking into consideration the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents what the employer's proportionate share of the net pension liability would be if it were calculated using the discount rate that is one percentage point lower (6.125%) or one percentage point higher (8.125%) than the current rate:

	Changes in Discount Rate 2018		
	1% Decrease (6.125%)	Current Discount Rate (7.125%)	1% Increase (8.125%)
Employer's proportionate share of the net pension liability	\$ 3,261,179	\$ 2,378,890	\$ 1,621,211

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

NOTE 13 - LITIGATION AND CLAIMS

At June 30, 2018, management and legal counsel for the School Board believe that the potential claims against the School Board would not materially affect the School Board's financial position. The School Board is not involved in any lawsuits which would have a material effect on the financial statements and is not aware of any unasserted claims.

NOTE 14 - RISK MANAGEMENT

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

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 15 - SECTION 457 PLAN

Certain employees of the School Board may participate in the Louisiana Public Employees Deferred Compensation Plan, adopted under the provisions of the Internal Revenue Code 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397.

NOTE 16 - COMMITMENTS AND CONTINGENCIES

The Concordia Parish School Board receives grants for specific purposes that are subject to review and audit by the Louisiana Department of Education. Such audits could result in a request for reimbursement for disallowed costs under the terms of the grant agreements. In the opinion of management, such disallowance, if any, would be insignificant.

NOTE 17 - ON-BEHALF PAYMENTS

The accompanying financial statements include on-behalf payments made by the Concordia Parish Tax Collector for \$142,132 and the State of Louisiana for \$3,468 to the Teachers' Retirement System of Louisiana for employee retirement benefits. The total amount of \$145,600 is recorded in the accounting system of the School Board.

NOTE 18 - SUBSEQUENT EVENTS

Management has evaluated subsequent events and determined that the School Board did not have any events through December 12, 2018, which is the date the financial statements were available to be issued, requiring recording or disclosure in the financial statements for the year ended June 30, 2018.

NOTE 19 - POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan Description and Administration. The School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The Plan provisions and contribution rates are contained in the official Plan documents of the OGB, available at www.info.groupbenefits.org - "Services" - "Health Plans." The OGB Plan is a fully insured, multiple-employer arrangement and has been deemed to be an agent multiple-employer plan for financial reporting purposes and for this valuation. The OGB "Medicare Advantage" plan has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and five years of service; or, early retirement - 20 years of service at any age. Employees hired on and after January 1, 2011, may not receive an unreduced retirement benefit before age 60.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 19 - POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Plan Description and Administration. (continued)

Life insurance coverage under the OGB program is available to retirees by election and is based on a blended rate (active and retired). The employer pays 50% of the "cost" of the retiree life insurance, but it is based on the blended rate. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate, overall, as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of medical benefits have been used, except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced by 25% at age 65 and by an additional 25% at age 70, according to the OGB plan provisions.

A financial report may be obtained by writing to Office of Group Benefits, 7389 Florida Boulevard, Suite 400, Baton Rouge, Louisiana 70806.

Plan Membership. At June 30, 2018, membership consisted of the following:

Inactive employees currently receiving benefits	461
Active employees	290
	751

Post-Employment Benefit Plan Eligibility Requirements. It is assumed that entitlement to benefits will commence five years after earliest eligibility to enter DROP. This consists of a three-year DROP period plus an additional two-year delay. Medical benefits are provided to employees upon actual retirement. Employees are covered by LASERS, whose retirement eligibility (DROP entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and five years of service; or, early retirement - 20 years of service at any age. Entitlement to benefits continues through Medicare, to death.

Investment Return Assumption (Discount Rate). GAAP, as applied to governments, state that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that ARC will be funded, a 3.87% annual investment return has been used in this valuation. This is a conservative estimate of the expected long-term return of a balanced and conservative investment portfolio under professional management.

Contribution Rates. Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The Plan provisions and contribution rates are contained in the official Plan documents of the OGB, available at www.info.groupbenefits.org - "Services" - "Health Plans."

Funding Policy. Until fiscal year ending June 30, 2008, the School Board recognized the cost of providing post-employment medical and life benefits (the School Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis.

Effective with the fiscal year beginning July 1, 2018, the School Board prospectively implemented the new accounting principles as issued by Government Accounting Standards Board, *Financial Reporting for Post-employment Benefit Plans Other Than Pension and Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

The OGB has sole authority over the plans and informs the School Board and Plan members of their obligation in funding the plans.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 19 - POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Net OPEB Liability of the School Board

The components of the net OPEB liability of the School Board at June 30, 2018 were as follows:

	<u>2018</u>
Total OPEB liability	\$ 67,092,010
Plan fiduciary net position	-
School Board's net OPEB liability	\$ 67,092,010

Plan fiduciary net position as a percentage of the total OPEB liability 0%

Actuarial Assumptions. The employer does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis, and there is not a trust for accumulating Plan assets. The following actuarial methods and assumptions were used in the July 1, 2018 accounting valuation.

Valuation timing	Actuarial valuations are performed biennially as of July 1 for accounting purposes only. The most recent valuation was performed as of July 1, 2018.
Actuarial cost method	Entry Age Normal
Inflation	2.30%
Salary increases	2.00%
Discount rate	3.87%
Healthcare cost trend rates	
Pre - 65	4.3% for 2018, increasing slightly then gradually decreasing to an ultimate rate of 3.9% for 2073 and beyond
Post - 65	6.8% for 2018, increasing slightly then gradually decreasing to an ultimate rate of 4.1% for 2088 and beyond
Mortality	Adjusted RPH-2014 Generational with MP-2018 Projection

The Plan has not had a formal actuarial experience study performed. The discount rate was based on the Bond Buyer's 20-year general obligation index.

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) rate of expected investment earnings by the fund, (2) rates of mortality among active and retired employees, (3) rates of termination from employment, and (4) retirement rates. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

CONCORDIA PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 19 - POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Net OPEB Liability of the School Board (continued)

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the School Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

The following presents changes in the net OPEB liability:

	<u>2018</u>
Beginning total OPEB liability	\$ 67,092,010
Changes for the year:	
Service cost	2,518,905
Interest on total OPEB liability	2,310,373
Effect of plan changes	-
Effect of economic/demographic gains or losses	(3,170,232)
Effect of assumptions, changes, or inputs	10,035,326
Benefit payments	<u>(2,356,789)</u>
Balance as of June 30, 2018	<u>\$ 76,429,593</u>

Sensitivity Analysis. The following presents total OPEB liability of the Concordia Parish School Board, calculated using the discount rate of 3.87%, as well as what the Concordia Parish School Board's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) or one percentage point higher (4.87%) than the current rate.

	<u>Changes in Discount Rate 2018</u>		
	<u>1% Decrease (2.87%)</u>	<u>Current Discount Rate (3.87%)</u>	<u>1% Increase (4.87%)</u>
Employer's proportionate share of the net pension liability	\$ 88,897,696	\$ 76,429,593	\$ 66,492,422

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

	<u>Current Trend</u>		
	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 65,303,343	\$ 76,429,593	\$ 90,616,465

CONCORDIA PARISH SCHOOL BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTE 20 - PRIOR PERIOD ADJUSTMENT

During the fiscal year ended June 30, 2018, the School Board adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. This resulted in a restatement of previously reported net positions, as follows:

	<u>Governmental Activities</u>
July 1, 2018 net position, as reported	\$ (14,273,214)
Change in accounting principle	<u>(38,695,742)</u>
Net effect of recording total OPEB liability	<u><u>\$ (52,968,956)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (WITH VARIANCES)

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive/(Negative)
	Original	Final		
REVENUES				
Local sources				
Taxes:				
Ad valorem	\$ 5,247,630	\$ 5,562,797	\$ 5,619,913	\$ 57,116
Tuition	3,250	2,000	1,840	(160)
Investment earnings	56,100	59,527	76,413	16,886
Rentals, leases, and royalties	140,000	133,774	133,774	-
Other revenue from local sources	129,000	242,638	250,819	8,181
State sources:				
Minimum Foundation Program	20,435,230	20,475,230	21,829,170	1,353,940
Revenue in lieu of taxes	-	-	126,204	126,204
Other revenue from state sources	275,663	256,566	219,612	(36,954)
Total revenues	\$ 26,286,873	\$ 26,732,532	\$ 28,257,745	\$ 1,525,213
EXPENDITURES				
Current				
Instruction:				
Regular programs	\$ 14,397,175	\$ 14,309,498	\$ 14,984,396	\$ (674,898)
Special education programs	2,901,370	3,033,603	2,960,747	72,856
Vocational programs	638,312	505,034	492,196	12,838
Other instructional programs	553,927	503,789	469,516	34,273
Special programs	4,527	2,992	4,149	(1,157)
Support services:				
Student services	1,940,326	1,959,815	1,959,854	(39)
Instructional support staff	1,065,841	1,104,454	1,065,893	38,561
General administration	981,974	878,559	706,584	171,975
School administration	2,623,686	2,447,623	2,385,262	62,361
Business services	559,430	622,779	615,237	7,542
Plant services	2,369,745	2,336,652	2,315,739	20,913
Student transportation services	2,100,849	1,809,278	1,755,531	53,747
Central services	453,268	465,473	436,820	28,653
Food services	250	250	-	250
Community service programs	5,325	5,325	5,325	-
Capital outlay	1,110,200	176,500	168,649	7,851
Total expenditures	\$ 31,706,205	\$ 30,161,624	\$ 30,325,898	\$ (164,274)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
Local revenue transfers - other LEAs	\$ -	\$ -	\$ (1,107,723)	\$ (1,107,723)
Transfers in	3,513,142	3,917,243	3,839,084	(78,159)
Transfers out	(209,143)	(211,476)	(218,443)	(6,967)
Total other financing sources (uses)	\$ 3,303,999	\$ 3,705,767	\$ 2,512,918	\$ (1,192,849)
Net change in fund balances	\$ (2,115,333)	\$ 276,675	\$ 444,765	\$ 168,090
Fund balance - beginning of year	20,231,261	20,231,261	20,231,261	-
Fund balance - end of year	\$ 18,115,928	\$ 20,507,936	\$ 20,676,026	\$ 168,090

GAAP serves as the budgetary basis of accounting.

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (WITH VARIANCES)

SPECIAL REVENUE FUND - SALES TAX 80% FUND

FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive/(Negative)
	Original	Final		
REVENUES				
Local sources				
Taxes:				
Sales and use	\$ 2,590,950	\$ 2,500,000	\$ 2,499,245	\$ (755)
Investment earnings	15,500	15,500	20,601	5,101
Services provided to others	740,250	700,000	864,314	164,314
Total revenues	<u>\$ 3,346,700</u>	<u>\$ 3,215,500</u>	<u>\$ 3,384,160</u>	<u>\$ 168,660</u>
EXPENDITURES				
Current				
Instruction:				
Regular programs	\$ -	\$ -	\$ -	\$ -
Special education programs	-	-	-	-
Vocational programs	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	-	-	-	-
Support services:				
Student services	-	-	-	-
Instructional support staff	-	-	-	-
General administration	697,159	804,330	761,792	42,538
School administration	-	-	-	-
Business services	-	-	-	-
Plant services	-	-	-	-
Student transportation services	-	-	-	-
Central services	-	-	-	-
Food services	-	-	-	-
Total expenditures	<u>\$ 697,159</u>	<u>\$ 804,330</u>	<u>\$ 761,792</u>	<u>\$ 42,538</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 2,649,541</u>	<u>\$ 2,411,170</u>	<u>\$ 2,622,368</u>	<u>\$ 211,198</u>
Other Financing Sources (Uses)				
Transfers in	\$ 1,130,275	\$ 1,100,000	\$ 1,104,121	\$ 4,121
Transfers out	(3,956,250)	(4,250,500)	(4,429,214)	(178,714)
Total other financing sources (uses)	<u>\$ (2,825,975)</u>	<u>\$ (3,150,500)</u>	<u>\$ (3,325,093)</u>	<u>\$ (174,593)</u>
Net change in fund balances	\$ (176,434)	\$ (739,330)	\$ (702,725)	\$ 36,605
Fund balance - beginning of year	<u>6,318,676</u>	<u>6,318,676</u>	<u>6,318,676</u>	<u>-</u>
Fund balance - end of year	<u>\$ 6,142,242</u>	<u>\$ 5,579,346</u>	<u>\$ 5,615,951</u>	<u>\$ 36,605</u>

GAAP serves as the budgetary basis of accounting.

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (WITH VARIANCES)

SPECIAL REVENUE FUND - SALES TAX 40% FUND

FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive/(Negative)
	Original	Final		
REVENUES				
Local sources				
Taxes:				
Sales and use	\$ 2,590,950	\$ 2,500,000	\$ 2,502,162	\$ 2,162
Investment earnings	325	325	462	137
Total revenues	<u>\$ 2,591,275</u>	<u>\$ 2,500,325</u>	<u>\$ 2,502,624</u>	<u>\$ 2,299</u>
EXPENDITURES				
Current				
Support services:				
General administration	\$ 40	\$ 40	\$ 40	\$ -
Total expenditures	<u>\$ 40</u>	<u>\$ 40</u>	<u>\$ 40</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 2,591,235</u>	<u>\$ 2,500,285</u>	<u>\$ 2,502,584</u>	<u>\$ 2,299</u>
Other Financing Sources (Uses)				
Transfers out	\$ (2,591,235)	\$ (2,500,285)	\$ (2,502,584)	\$ (2,299)
Total other financing sources (uses)	<u>\$ (2,591,235)</u>	<u>\$ (2,500,285)</u>	<u>\$ (2,502,584)</u>	<u>\$ (2,299)</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning of year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ -</u></u>

GAAP serves as the budgetary basis of accounting.

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (WITH VARIANCES)

SPECIAL REVENUE FUND - TITLE I FUND

FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive/(Negative)
	Original	Final		
REVENUES				
Federal sources	\$ 1,817,639	\$ 1,922,723	\$ 1,673,060	\$ (249,663)
Total revenues	<u>\$ 1,817,639</u>	<u>\$ 1,922,723</u>	<u>\$ 1,673,060</u>	<u>\$ (249,663)</u>
EXPENDITURES				
Current				
Instruction:				
Other instructional programs	\$ 20,562	\$ 66,741	\$ 50,297	\$ 16,444
Special programs	1,129,617	1,314,309	1,151,657	162,652
Support services:				
Student services	60,671	72,027	43,084	28,943
Instructional support staff	534,400	390,264	356,618	33,646
General administration	-	2,993	2,993	-
Plant services	-	-	1,525	(1,525)
Central services	3,215	3,215	3,215	-
Total expenditures	<u>\$ 1,748,465</u>	<u>\$ 1,849,549</u>	<u>\$ 1,609,389</u>	<u>\$ 240,160</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 69,174</u>	<u>\$ 73,174</u>	<u>\$ 63,671</u>	<u>\$ (9,503)</u>
Other Financing Sources (Uses)				
Transfers out	\$ (69,174)	\$ (73,174)	\$ (63,671)	\$ 9,503
Total other financing sources (uses)	<u>\$ (69,174)</u>	<u>\$ (73,174)</u>	<u>\$ (63,671)</u>	<u>\$ 9,503</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GAAP serves as the budgetary basis of accounting.

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

FOR THE YEAR ENDED JUNE 30, 2018

Total OPEB Liability

	June 30, 2018
Service cost	\$ 2,518,905
Interest	2,310,373
Changes of benefit terms	-
Differences between expected and actual experience	(3,170,232)
Changes of assumptions	10,035,326
Benefit Payments	(2,356,789)
Net change in Total OPEB Liability	<u>\$ 9,337,583</u>
Total OPEB liability - beginning	67,092,010
Total OPEB liability - ending	<u><u>\$ 76,429,593</u></u>
Covered payroll	\$ 20,454,000
Total OPEB liability as a percentage of covered payroll	373.67%

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

CONCORDIA PARISH SCHOOL BOARD
SCHEDULE OF CONTRIBUTIONS - OPEB
FOR THE YEAR ENDED JUNE 30, 2018

	June 30, 2018
Actuarial determined contribution	\$ 2,500,501
Contributions in relation to the actuarially determined contribution	-
Contribution deficiency (excess)	\$ 2,500,501
Covered payroll	\$ 20,454,000
Contributions as a percentage of covered payroll	12.22%

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

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF LOUISIANA (TRSL)**

YEAR ENDED JUNE 30, 2018

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Employer's proportion of the net pension liability (asset)	.40448%	.039699%	.36452%	.36774%
Employer's proportionate share of the net pension liability (asset)	\$ 41,343,657	\$ 42,685,681	\$ 42,784,134	\$ 37,700,561
Employer's covered-employee payroll	\$ 18,177,937	\$ 17,973,978	\$ 17,191,404	\$ 17,958,564
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	227.44%	237.49%	248.87%	209.93%
Plan fiduciary net position as a percentage of the total pension liability	63.70%	62.50%	59.90%	65.60%

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

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

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF LOUISIANA (TRSL)

YEAR ENDED JUNE 30, 2018

	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
June 30, 2018	\$ 4,771,683	\$ 4,771,683	\$ -	\$ 17,837,923	26.75%
June 30, 2017	\$ 5,766,370	\$ 5,766,370	\$ -	\$ 16,247,851	28.18%
June 30, 2016	\$ 4,540,764	\$ 4,540,764	\$ -	\$ 17,191,404	26.41%
June 30, 2015	\$ 5,046,350	\$ 5,046,350	\$ -	\$ 17,958,564	28.10%

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

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
TEACHERS' RETIREMENT SYSTEM OF LOUISIANA (TRSL)

FOR THE YEAR ENDED JUNE 30, 2018

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Changes in Benefit Terms Include:

Changes of Assumptions - There were no changes of benefit assumptions for the year ended June 30, 2018.

CONCORDIA PARISH SCHOOL BOARD

**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM (LSERS)**

YEAR ENDED JUNE 30, 2018

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Employer's proportion of the net pension liability (asset)	.38853%	.39513%	.401551%	.371744%
Employer's proportionate share of the net pension liability (asset)	\$ 2,252,229	\$ 2,505,637	\$ 3,029,089	\$ 2,378,890
Employer's covered-employee payroll	\$ 1,082,511	\$ 1,136,355	\$ 1,160,714	\$ 1,066,251
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	208.06%	220.50%	260.97%	223.11%
Plan fiduciary net position as a percentage of the total pension liability	76.18%	74.49%	70.09%	75.03%

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

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

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF EMPLOYER CONTRIBUTIONS
LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM (LSERS)

YEAR ENDED JUNE 30, 2018

	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
June 30, 2018	\$ 293,731	\$ 293,731	\$ -	\$ 1,077,116	27.27%
June 30, 2017	\$ 290,417	\$ 290,417	\$ -	\$ 1,066,251	27.24%
June 30, 2016	\$ 350,536	\$ 350,536	\$ -	\$ 1,160,714	30.20%
June 30, 2015	\$ 374,997	\$ 374,997	\$ -	\$ 1,136,355	33.00%

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

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM (LSERS)

FOR THE YEAR ENDED JUNE 30, 2018

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Changes in Benefit Terms Include:

There were no changes in benefit terms for the year ended June 30, 2018.

Changes of Assumptions - There were no changes of benefit assumptions for the year ended June 30, 2018.

See Independent Auditor's Report.

SUPPLEMENTARY INFORMATION

CONCORDIA PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

SPECIAL REVENUE FUNDS

Elementary and Secondary Education Act Funds (NCLB)

Title II

Title II of Part A, *Teacher and Principal Training and Recruiting Fund*, is a program that combines the Eisenhower Professional Development State Grants and Class Size Reduction programs into one program that focuses on preparing, training, and recruiting highly qualified teachers.

School Food Services

The School Food Services Fund accounts for operations of the school cafeterias. Funding is provided by federal and state grants-in-aid and charges for meals served.

Sales Tax Funds

Sales Tax 20%

The Sales Tax 20% Fund accounts for the portion (20 percent) of the Parish sales taxes to acquire and improve land for building sites, purchases, erect and improve school buildings and other related facilities, acquire equipment and furnishings, provide educational supplies and equipment, and maintain instructional equipment.

Sales Tax 60%

The Sales Tax 60% Fund accounts for the monthly collection of the School Board's additional one percent Parish sales tax. The fund also accounts for the use of the tax as follows: additional support for curriculum improvement and for improving, purchasing, and erecting school buildings and other related facilities.

Special Education

IDEA Part B Special Education - Grants to States

IDEA Part B Special Education - Grants to States - Federal funds passed through the Louisiana Department of Education. The purpose of IDEA is to (1) ensure that all preschool and school age children with disabilities have available to them a free appropriate public education which emphasizes special education and related services designed to meet their unique needs; (2) ensure that the rights of children with disabilities and their parents or guardians are protected; (3) assist states, localities, educational service agencies, and federal agencies to provide for the education of all children with disabilities; and (4) assist and ensure the effectiveness of efforts to educate children with disabilities.

Special Education - Preschool Grants

The purpose of the Preschool Grants Program is to provide grants to States and Local Educational Agencies (LEAs) to assist in: (1) providing special education and related services to children with disabilities aged three through five; (2) planning and developing a statewide comprehensive delivery system for children with disabilities from birth through five years; (3) providing direct and support services to children with disabilities aged three through five.

CONCORDIA PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

SPECIAL REVENUE FUNDS (continued)

Elementary and Secondary Education Act Funds (NCLB) (continued)

8(G) Early Education

The 8(G) Early Education Fund is funded through the Louisiana Department of Education. The purpose of these funds is to provide four-year-old children with learning experiences which complement both the home and the child. This project serves at-risk four-year-old children.

LA4 Starting Points

The LA4 Starting Points Fund is funded through the Louisiana Department of Education. The purpose of the LA4 Starting Points Program is to provide high-quality early childhood educational experiences to four-year-old children who are considered "at-risk" of not achieving later academic success. The LA4 Program provides six hours per day of educational experiences.

Cecil J. Picard LA4 Early Childhood Fund (LA4 TANF)

The purpose of the Cecil J. Picard LA4 Early Childhood Program is to provide high-quality early childhood educational experiences to four-year-old children who are considered to be "at-risk" of not achieving later academic success. The LA4 program provides six hours per day of educational experiences.

Special Education - ESYS

Special Education - ESYS accounts for the funding for the Extended School Year Program, which will provide services to eligible children beyond the regular school year to prevent regression according to the Laura I. Consent decree.

Rural Education Achievement Program (REAP)

The REAP Fund accounts for a federal award passed through the Louisiana Department of Education. The purpose of these funds is to provide funds to high-poverty, rural LEAs to supplement the LEAs' activities under selected formula-funded Federal programs. LEAs have the flexibility to use their allocations for any of the following: (1) teacher recruitment and retention, including use of signing bonuses and other incentives; (2) teacher professional development, including special needs teachers; (3) educational technology, as described in Part D of Title II; (4) parental involvement activities; (5) activities authorized under Safe and Drug-Free School Program under Part A of Title IV; (6) activities authorized under Part A of Title I; and (7) activities authorized under Title III.

Carl Perkins Fund

The Carl Perkins Fund accounts for federal funds passed through to the Louisiana Department of Education. The purpose of this program is to develop the academic, vocational, and technical skills of secondary students enrolled in LEA career and technical education (CTE) programs by: (1) building on the State and local efforts to develop rigorous academic standards; (2) promoting the development of services and activities that integrate academic, career, and technical instruction, while linking secondary and post-secondary education for participating CTE students; and (3) providing professional development and technical assistance that will improve CTE programs, services, and activities.

CONCORDIA PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

OTHER FEDERAL FUNDS

The Other Federal Funds accounts for various small grant revenues collected to be used for instructional support expenditures.

Early Childhood Community Network Pilot - Cohort 3 Fund

The purpose of the Early Childhood Network Pilot (Cohort 3) fund is to implement the five strategies outlined in the Early Childhood Care and Education Network - Roadmap to 2015, which are as follows: (1) unify expectations, (2) support teachers and providers, (3) measure and recognize progress, (4) fund high quality providers, and (5) provide clear information and high quality choices.

Early Childhood Community Network Pilot - Cohort 3 Fund - Child Care and Development Block Grant - CCDF

The purpose of the Early Childhood Network Pilot (Cohort 3) fund is to implement the five strategies outlined in the Early Childhood Care and Education Network - Roadmap to 2015, which are as follows: (1) unify expectations, (2) support teachers and providers, (3) measure and recognize progress, (4) fund high quality providers, and (5) provide clear information and high quality choices.

Early Childhood Community Network

Act 3 unifies publicly-funded preschool, Head Start, and child care programs into a statewide network of local networks. Since 2013, local networks of child care, Head Start, publicly-funded private preschools, and public school Pre-K have been working together to implement early learning and development standards, enrollment, and teacher expectations. All Louisiana communities have joined one of the three cohorts of Community Network Pilots and are working to unify their local systems.

Early Childhood Community Network - Child Care and Development Block Grant

Act 3 unifies publicly-funded preschool, Head Start, and child care programs into a statewide network of local networks. Since 2013, local networks of child care, Head Start, publicly-funded private preschools, and public school Pre-K have been working together to implement early learning and development standards, enrollment, and teacher expectations. All Louisiana communities have joined one of the three cohorts of Community Network Pilots and are working to unify their local systems.

Education Excellence Fund

The purpose of the Education Excellence Fund is to support education opportunities for at-risk students, as authorized by the Louisiana Legislature Millennium Trust of 1999. These funds are used to provide professional development in the area of curriculum and assessment.

Math Institutes through Title I

Striving Readers

The purpose of Striving Readers is to support schools in developing stronger literacy programs statewide. The Louisiana Department of Education (LDOE) is allocating funds to Districts to register for an English Language Arts strategy training through the English Laying the Foundation Programs with the National Math and Science Initiative.

CONCORDIA PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

OTHER FEDERAL FUNDS (continued)

Math Institutes through Title I (continued)

Title I Grants to Local Educational Agencies – Math Summer Content Institutes – 1003a

The purpose of Title I Grant to LEAs is to support schools in developing stronger mathematics programs statewide. The Louisiana Department of Education (LDOE) is sharing funds with Districts to register for math strategy trainings through Great Minds and the LSU Cain Center. Allocations to support math opportunities for Priority, Reward, and Focus schools will be generated from 1003a funds.

Math Summer Content Institutes – 8(G)

The purpose of the Math Summer Content Institutes is to support schools in developing stronger mathematics programs statewide. The LDOE is sharing funds with Districts to register for math strategy trainings through Great Minds and the LSU Cain Center. Allocations to support math opportunities for Priority, Reward, and Focus schools will be generated from 8(g) funds.

Advanced Placement Test Fee Program

The purpose of the Advanced Placement Test Fee Program is to increase student participation in Advanced Placement and International Baccalaureate opportunities in an effort to keep students engaged with increasingly relevant subject matter, to challenge students by gradually increasing the rigor of high schools, and to ease the transition to post-secondary study and careers. Through the AP and IB programs, students will have the opportunity to experience rigorous, college-level coursework and to begin earning college credit by taking AP and IB exams.

Special Education – Grants to States

The purpose of this grant is to provide LEAs with funds to create and/or enhance career preparation opportunities for students with disabilities.

High-Cost Special Education – Grants to States

The purpose of the High-Cost Services refers to IDEA State Set Aside funds and MFP funds made available to provide additional supports and services to LEAs serving students with high needs.

Jobs for America's Graduates

The Jobs for America's Graduates – Louisiana program is a dropout prevention/recovery and workforce preparation program for at-risk youth. The program's purpose is to keep at-risk students in school through graduation to obtain a high school diploma or high school equivalency diploma, and during that time, improves their rates of academic success and employment.

School Improvement – Ferriday Upper and Lower Elementary and Junior High

The purpose of these funds is to provide for the creation of new schools to serve students who currently attend D and F schools by encouraging proved school operations to provide new, high-quality educational options for students in low-performing schools, and providing for the training or planning period for high-potential school leaders who intend to lead a school focused on serving this student population.

CONCORDIA PARISH SCHOOL BOARD**NONMAJOR GOVERNMENTAL FUNDS**

JUNE 30, 2018

OTHER FEDERAL FUNDS (continued)*Early Childhood Lead Agencies*

The purpose of the fund is to coordinate the Louisiana Early Childhood Care and Education Network by designating, through a competitive process, a Lead Agency for each community to conduct administrative functions and coordinate essential activities.

Teacher Incentive Fund

The Louisiana Teacher Incentive Fund (TIF) supports efforts to develop and implement performance-based teacher and principal compensation systems in high-need schools.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation debt principal and interest from governmental resources.

CONCORDIA PARISH SCHOOL BOARD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Special Revenue Title II	Special Revenue School Food Services	Special Revenue Sales Tax 20%	Special Revenue Sales Tax 60%
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 626,233	\$ 182,264	\$ 1,518,433
Due from other funds	-	247,521	77,981	251,065
Receivable from other governments	84,884	696	-	-
Inventories	-	42,163	-	-
	<u>\$ 84,884</u>	<u>\$ 916,613</u>	<u>\$ 260,245</u>	<u>\$ 1,769,498</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Cash overdraft	\$ 17,703	\$ -	\$ -	\$ -
Accounts payable	47,750	27,792	15,845	72,808
Due to other funds	5,412	259	-	-
Salaries payable	14,019	18,701	-	-
	<u>\$ 84,884</u>	<u>\$ 46,752</u>	<u>\$ 15,845</u>	<u>\$ 72,808</u>
Fund balances:				
Nonspendable:				
Inventories	\$ -	\$ 42,163	\$ -	\$ -
Restricted:				
Other special purposes	-	-	244,400	1,696,690
Assigned	-	827,698	-	-
	<u>\$ -</u>	<u>\$ 869,861</u>	<u>\$ 244,400</u>	<u>\$ 1,696,690</u>
Total fund balances	<u>\$ -</u>	<u>\$ 869,861</u>	<u>\$ 244,400</u>	<u>\$ 1,696,690</u>
Total liabilities and fund balances	<u>\$ 84,884</u>	<u>\$ 916,613</u>	<u>\$ 260,245</u>	<u>\$ 1,769,498</u>

CONCORDIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Special Revenue Special Education Program	Special Revenue 8(G) Early Education	Special LA4 Starting Points	Special Revenue LA4 TANF
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-
Receivable from other governments	106,930	8,477	11,078	48,823
Inventories	-	-	-	-
	<u>\$ 106,930</u>	<u>\$ 8,477</u>	<u>\$ 11,078</u>	<u>\$ 48,823</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Cash overdraft	\$ 93,504	\$ 8,477	\$ 11,078	\$ 46,970
Accounts payable	-	-	-	-
Due to other funds	4,068	-	-	1,853
Salaries payable	9,358	-	-	-
	<u>\$ 106,930</u>	<u>\$ 8,477</u>	<u>\$ 11,078</u>	<u>\$ 48,823</u>
Fund balances:				
Nonspendable:				
Inventories	\$ -	\$ -	\$ -	\$ -
Restricted:				
Other special purposes	-	-	-	-
Assigned	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities and fund balances	<u>\$ 106,930</u>	<u>\$ 8,477</u>	<u>\$ 11,078</u>	<u>\$ 48,823</u>

CONCORDIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Special Revenue JAG AIM High	Special Revenue REAP	Special Revenue Carl Perkins Fund	Special Revenue Title IVA Student Support and Academic Enrichment
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-
Receivable from other governments	24,108	4,353	26,876	8,712
Inventories	-	-	-	-
Total assets	<u>\$ 24,108</u>	<u>\$ 4,353</u>	<u>\$ 26,876</u>	<u>\$ 8,712</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Cash overdraft	\$ 24,108	\$ 4,187	\$ 26,876	\$ 7,360
Accounts payable	-	-	-	1,020
Due to other funds	-	166	-	332
Salaries payable	-	-	-	-
Total liabilities	<u>\$ 24,108</u>	<u>\$ 4,353</u>	<u>\$ 26,876</u>	<u>\$ 8,712</u>
Fund balances:				
Nonspendable:				
Inventories	\$ -	\$ -	\$ -	\$ -
Restricted:				
Other special purposes	-	-	-	-
Assigned	-	-	-	-
Total fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities and fund balances	<u>\$ 24,108</u>	<u>\$ 4,353</u>	<u>\$ 26,876</u>	<u>\$ 8,712</u>

CONCORDIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Special Revenue Early Childhood Community Network Pilot - Cohort 3 Fund	Special Revenue Early Childhood Community Network Pilot - Cohort 3 - CCDF	Special Revenue Jobs for America's Graduates	Special Revenue Early Child Lead Agency Individuals with Disabilities Education
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-
Receivable from other governments	1,158	298	5,674	204
Inventories	-	-	-	-
Total assets	\$ 1,158	\$ 298	\$ 5,674	\$ 204
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Cash overdraft	\$ 1,158	\$ 298	\$ 5,674	\$ 204
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Salaries payable	-	-	-	-
Total liabilities	\$ 1,158	\$ 298	\$ 5,674	\$ 204
Fund balances:				
Nonspendable:				
Inventories	\$ -	\$ -	\$ -	\$ -
Restricted:				
Other special purposes	-	-	-	-
Assigned	-	-	-	-
Total fund balances	\$ -	\$ -	\$ -	\$ -
Total liabilities and fund balances	\$ 1,158	\$ 298	\$ 5,674	\$ 204

CONCORDIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Special Revenue Education Excellence Fund	Special Revenue Teacher Incentive	Special Revenue RTT ET Expansion	Special Revenue RTT EC Improvement	Special Revenue Striving Readers 9-12
ASSETS					
Cash and cash equivalents	\$ 19,200	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-	-
Receivable from other governments	-	24,103	13,603	-	100,775
Inventories	-	-	-	-	-
Total assets	<u>\$ 19,200</u>	<u>\$ 24,103</u>	<u>\$ 13,603</u>	<u>\$ -</u>	<u>\$ 100,775</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash overdraft	\$ -	\$ 24,103	\$ 9,008	\$ -	\$ 94,000
Accounts payable	-	-	4,595	-	-
Due to other funds	-	-	-	-	3,835
Salaries payable	-	-	-	-	2,940
Total liabilities	<u>\$ -</u>	<u>\$ 24,103</u>	<u>\$ 13,603</u>	<u>\$ -</u>	<u>\$ 100,775</u>
Fund balances:					
Nonspendable:					
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:					
Other special purposes	19,200	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	<u>\$ 19,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities and fund balances	<u>\$ 19,200</u>	<u>\$ 24,103</u>	<u>\$ 13,603</u>	<u>\$ -</u>	<u>\$ 100,775</u>

CONCORDIA PARISH SCHOOL BOARD

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Special Revenue School Improvement Ferriday Lower Elementary	Special Revenue School Improvement Ferriday Upper Elementary	Special Revenue School Improvement Ferriday Junior High	Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,346,130
Due from other funds	-	-	-	-	576,567
Receivable from other governments	22,975	22,936	23,524	-	540,187
Inventories	-	-	-	-	42,163
Total assets	<u>\$ 22,975</u>	<u>\$ 22,936</u>	<u>\$ 23,524</u>	<u>\$ -</u>	<u>\$ 3,505,047</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash overdraft	\$ 18,656	\$ 20,902	\$ 18,389	\$ -	\$ 432,655
Accounts payable	-	-	-	-	169,810
Due to other funds	861	860	883	-	18,529
Salaries payable	3,458	1,174	4,252	-	53,902
Total liabilities	<u>\$ 22,975</u>	<u>\$ 22,936</u>	<u>\$ 23,524</u>	<u>\$ -</u>	<u>\$ 674,896</u>
Fund balances:					
Nonspendable:					
Inventories	\$ -	\$ -	\$ -	\$ -	\$ 42,163
Restricted:					
Other special purposes	-	-	-	-	1,960,290
Assigned	-	-	-	-	827,698
Total fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,830,151</u>
Total liabilities and fund balances	<u>\$ 22,975</u>	<u>\$ 22,936</u>	<u>\$ 23,524</u>	<u>\$ -</u>	<u>\$ 3,505,047</u>

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Title II	Special Revenue School Food Services	Special Revenue Sales Tax 20%	Special Revenue Sales Tax 60%
REVENUES				
Local sources:				
Food services	\$ -	\$ 56,047	\$ -	\$ -
Investment earnings	-	444	642	5,241
Other revenue from local sources	-	111	-	-
State sources:				
Minimum Foundation Program	-	40,000	-	-
Other revenue from state sources	-	-	-	21,648
Federal sources	270,431	2,559,106	-	-
Total revenues	\$ 270,431	\$ 2,655,708	\$ 642	\$ 26,889
EXPENDITURES				
Current:				
Instruction:				
Regular programs	\$ -	\$ -	\$ -	\$ 513,811
Special educational programs	58,486	-	-	-
Vocational programs	-	-	-	13,098
Special programs	44,237	-	-	-
Support services:				
Student services	-	-	-	-
Instructional support staff	157,417	-	-	21,461
Plant services	-	-	381,998	756,175
Student transportation services	-	-	-	-
Business services	-	-	-	-
Food services	-	2,578,337	-	-
Debt service:				
Principal	-	-	-	-
Capital outlay	-	-	99,222	293
Total expenditures	\$ 260,140	\$ 2,578,337	\$ 481,220	\$ 1,304,838
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 10,291	\$ 77,371	\$ (480,578)	\$ (1,277,949)
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ 362,283	\$ 431,954	\$ 1,424,021
Transfers out	(10,291)	-	-	-
Total other financing sources (uses)	\$ (10,291)	\$ 362,283	\$ 431,954	\$ 1,424,021
Net Change in Fund Balances	\$ -	\$ 439,654	\$ (48,624)	\$ 146,072
Fund balances - beginning	-	430,207	293,024	1,550,618
Fund balances - ending	\$ -	\$ 869,861	\$ 244,400	\$ 1,696,690

- continued -

CONCORDIA PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Special Education Program	Special Revenue 8(G) Early Education	Special Revenue LA4 Starting Points	Special Revenue LA4 TANF
<u>REVENUES</u>				
Local sources:				
Food services	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Other revenue from local sources	-	-	-	-
State sources:				
Minimum Foundation Program	-	-	-	-
Other revenue from state sources	-	85,027	83,347	-
Federal sources	764,052	-	-	99,853
	<u>764,052</u>	<u>-</u>	<u>-</u>	<u>99,853</u>
Total revenues	\$ 764,052	\$ 85,027	\$ 83,347	\$ 99,853
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular programs	\$ -	\$ -	\$ -	\$ -
Special educational programs	241,857	-	-	-
Vocational programs	-	-	-	-
Special programs	69,084	85,027	83,347	103,035
Support services:				
Student services	271,579	-	-	-
Instructional support staff	147,984	-	-	-
Plant services	-	-	-	-
Student transportation services	4,472	-	-	-
Business services	-	-	-	-
Food services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Capital outlay	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	\$ 734,976	\$ 85,027	\$ 83,347	\$ 103,035
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>\$ 29,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,182)</u>
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ -	\$ 6,968
Transfers out	(29,076)	-	-	(3,786)
	<u>(29,076)</u>	<u>-</u>	<u>-</u>	<u>(3,786)</u>
Total other financing sources (uses)	\$ (29,076)	\$ -	\$ -	\$ 3,182
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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CONCORDIA PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue JAG AIM High	Special Revenue REAP	Special Revenue Carl Perkins Fund	Special Revenue Title IVA Student Support and Academic Enrichment
REVENUES				
Local sources:				
Food services	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Other revenue from local sources	-	-	-	-
State sources:				
Minimum Foundation Program	-	-	-	-
Other revenue from state sources	-	-	-	-
Federal sources	119,043	81,263	48,575	8,712
Total revenues	\$ 119,043	\$ 81,263	\$ 48,575	\$ 8,712
EXPENDITURES				
Current:				
Instruction:				
Regular programs	\$ 88,545	\$ -	\$ -	\$ -
Special educational programs	-	-	-	-
Vocational programs	-	-	43,375	-
Special programs	-	78,170	-	7,207
Support services:				
Student services	-	-	-	461
Instructional support staff	29,427	-	5,200	712
Plant services	-	-	-	-
Student transportation services	-	-	-	-
Business services	-	-	-	-
Food services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	\$ 117,972	\$ 78,170	\$ 48,575	\$ 8,380
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 1,071	\$ 3,093	\$ -	\$ 332
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(1,071)	(3,093)	-	(332)
Total other financing sources (uses)	\$ (1,071)	\$ (3,093)	\$ -	\$ (332)
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

- continued -

CONCORDIA PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Early Childhood Community Network Pilot - Cohort 3 Fund	Special Revenue Early Childhood Community Network Pilot - Cohort 3 - CCDF	Special Revenue Jobs for America's Graduates	Special Revenue Early Child Lead Agency Individuals with Disabilities Education
REVENUES				
Local sources:				
Food services	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Other revenue from local sources	-	-	-	-
State sources:				
Minimum Foundation Program	-	-	-	-
Other revenue from state sources	5,958	-	-	-
Federal sources	-	1,554	60,000	204
Total revenues	\$ 5,958	\$ 1,554	\$ 60,000	\$ 204
EXPENDITURES				
Current:				
Instruction:				
Regular programs	\$ -	\$ -	\$ 59,199	\$ -
Special educational programs	-	-	-	-
Vocational programs	-	-	-	-
Special programs	5,858	565	-	204
Support services:				
Student services	-	-	-	-
Instructional support staff	100	989	452	-
Plant services	-	-	-	-
Student transportation services	-	-	349	-
Business services	-	-	-	-
Food services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	\$ 5,958	\$ 1,554	\$ 60,000	\$ 204
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

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CONCORDIA PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Education Excellence Fund	Special Revenue Teacher Incentive	Special Revenue RTT ET Expansion	Special Revenue High Cost Special Education - Grants to States	Special Revenue Striving Readers 9-12
REVENUES					
Local sources:					
Food services	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-	-
Other revenue from local sources	-	-	-	-	-
State sources:					
Minimum Foundation Program	-	-	-	-	-
Other revenue from state sources	-	-	-	-	100,775
Federal sources	-	117,034	60,645	32,358	-
Total revenues	\$ -	\$ 117,034	\$ 60,645	\$ 32,358	\$ 100,775
EXPENDITURES					
Current:					
Instruction:					
Regular programs	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Special educational programs	-	-	-	-	-
Vocational programs	-	-	-	-	-
Special programs	-	-	60,645	31,369	-
Support services:					
Student services	-	-	-	-	-
Instructional support staff	-	117,034	-	-	71,940
Plant services	-	-	-	-	-
Student transportation services	-	-	-	-	-
Business services	-	-	-	-	-
Food services	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	\$ -	\$ 117,034	\$ 60,645	\$ 31,369	\$ 96,940
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	\$ -	\$ -	\$ -	\$ 989	\$ 3,835
Other Financing Sources (Uses)					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	(989)	(3,835)
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ (989)	\$ (3,835)
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	19,200	-	-	-	-
Fund balances - ending	\$ 19,200	\$ -	\$ -	\$ -	\$ -

- continued -

CONCORDIA PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue School Improvement Ferriday Lower Elementary	Special Revenue School Improvement Ferriday Upper Elementary	Special Revenue School Improvement Ferriday Junior High	Debt Service Funds	Total Nonmajor Governmental Funds
REVENUES					
Local sources:					
Food services	\$ -	\$ -	\$ -	\$ -	\$ 56,047
Investment earnings	-	-	-	-	6,327
Other revenue from local sources	-	-	-	-	111
State sources:					
Minimum Foundation Program	-	-	-	-	40,000
Other revenue from state sources	-	-	-	-	296,755
Federal sources	198,605	201,687	208,641	-	4,831,763
Total revenues	\$ 198,605	\$ 201,687	\$ 208,641	\$ -	\$ 5,231,003
EXPENDITURES					
Current:					
Instruction:					
Regular programs	\$ 126,132	\$ 124,431	\$ 126,980	\$ -	\$ 1,064,098
Special educational programs	-	-	-	-	300,343
Vocational programs	-	-	-	-	56,473
Special programs	-	-	-	-	568,748
Support services:					
Student services	-	-	-	-	272,040
Instructional support staff	65,024	69,691	73,836	-	761,267
Plant services	-	-	-	-	1,138,173
Student transportation services	-	-	-	-	4,821
Business services	-	-	-	-	-
Food services	-	-	-	-	2,578,337
Debt service:					
Principal	-	-	-	120,793	120,793
Capital outlay	-	-	-	-	99,515
Total expenditures	\$ 191,156	\$ 194,122	\$ 200,816	\$ 120,793	\$ 6,964,608
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 7,449	\$ 7,565	\$ 7,825	\$ (120,793)	\$ (1,733,605)
Other Financing Sources (Uses)					
Transfers in	\$ -	\$ -	\$ -	\$ 120,793	\$ 2,346,019
Transfers out	(7,449)	(7,565)	(7,825)	-	(75,312)
Total other financing sources (uses)	\$ (7,449)	\$ (7,565)	\$ (7,825)	\$ 120,793	\$ 2,270,707
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ 537,102
Fund balances - beginning	-	-	-	-	2,293,049
Fund balances - ending	\$ -	\$ -	\$ -	\$ -	\$ 2,830,151

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS

YEAR ENDED JUNE 30, 2018

COMPENSATION PAID TO BOARD MEMBERS

The schedule of compensation paid to the Concordia Parish School Board members is presented in compliance with House Concurrent Resolution 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 LA-R.S. 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the Board receives \$650 per month, and the President receives \$700 per month for performing the duties of his office.

Mary H. Campbell	\$	7,800
Fred Butcher		7,800
Warren Enterkin		7,800
Jeffrey Goodman		7,800
John Bostic		7,800
Ronnie Bradford		7,800
Ricky Raven		7,800
Raymond Riley		8,400
Cheryl Probst		<u>7,800</u>
Total	\$	<u>70,800</u>

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD

YEAR ENDED JUNE 30, 2018

Agency Head: Robert Whest Shirley, Jr., Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 102,200
Benefits - health insurance	2,505
Benefits - retirement	30,623
Car allowance	7,200
Travel	-
Ad valorem - sales tax supplement	<u>5,225</u>
Total	<u>\$ 147,753</u>

See Independent Auditor's Report.

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

<u>Name of Agency or Department</u>	<u>CFDA or Other Number</u>	<u>Name of Program</u>	<u>Pass-Through Grant Number</u>	<u>Total Awards Expended</u>
<u>U.S. Department of Agriculture</u>				
Passed through Louisiana Department of Education				
Passed through Louisiana Department of Agriculture and Forestry				
	10.565	Commodity Supplementary Food Program	N/A	\$ <u>187,380</u>
Child Nutrition Cluster				
	10.555	National School Lunch Program	N/A	\$ <u>2,371,726</u>
Total Child Nutrition Cluster				\$ <u>2,559,106</u>
Total U.S. Department of Agriculture				\$ <u>2,559,106</u>
<u>U.S. Department of Education</u>				
<u>Office of Career, Technical, and Adult Education</u>				
Passed through Louisiana Department of Education				
	84.048	Career and Technical Education - Basic Grants to States	28-17-02-15	\$ <u>48,575</u>
<u>Office of Elementary and Secondary Education</u>				
Passed through Louisiana Department of Education				
	84.010	Title I Grants to local educational agencies	28-17-T1-15	\$ 1,701,631
	84.358	Rural education	28-17-RE-15	81,263
	84.367	Improving Teacher Quality State Grants	28-17-50-15	270,431
	84.374	Teacher and School Leader Incentive Grants	28-17-TP-15	117,034
	84.377	School Improvement Grants	28-17-TC07-15	<u>608,933</u>
Subtotal				\$ <u>2,779,292</u>
<u>Office of Special Education and Rehabilitative Services</u>				
Passed through Louisiana Department of Education				
Special education cluster:				
<u>Special education - grants to states</u>				
	84.027	IDEA Part B	28-17-B1-15	\$ 735,668
	84.027	IDEA Jobs for America's Graduates - Aim High	28-17-JP-15	<u>60,000</u>
Total CFDA 84.027				\$ <u>795,668</u>
	84.173	Special education - preschool grants	28-17-P1-15	\$ 28,384
	84.173	Special education - preschool grants	28-17-CY-15	<u>204</u>
Total CFDA 84.173				\$ <u>28,588</u>
<u>Office of Early Education</u>				
Passed through Louisiana Department of Education				
Preschool development grants cluster:				
	84.419	Preschool development - expansion grants	28-17-RM-15	\$ 60,645
	84.419	Preschool development - expansion grants	28-17-RL-15	<u>32,358</u>
Total CFDA 84.419				\$ <u>93,003</u>

- continued -

CONCORDIA PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

Name of Agency or Department	CFDA or Other Number	Name of Program	Pass-Through Grant Number	Total Awards Expended
<u>Office of Safe and Healthy Students</u>				
Passed through Louisiana Department of Education				
	84.424	Student Support and Enrichment - Title IV SSAE	28-18-71-15	\$ 8,712
		Total U.S. Department of Education		\$ 3,753,838
<u>U.S. Department of Health and Human Services - Administration for Children and Families</u>				
Passed through Louisiana Department of Education				
	TANF Cluster	Temporary Assistance for Needy Families (TANF)		
	93.558	TANF	28-17-36-15	\$ 99,853
	93.558	TANF - Jobs for America's Graduates (JAG)	28-17-JS-15	90,472
		Total CFDA 93.558		\$ 190,325
		Child care and Development Block Grant	28-16-CO-15	1,554
		Total U.S. Department of Health and Human Services		\$ 191,879
		Total Financial Awards, All Programs		\$ 6,504,823

NOTES TO THIS SCHEDULE

1. This schedule includes the federal award activity of the School Board under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirement of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School Board.
2. Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.
3. The School Board did not elect to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

See Independent Auditor's Report.

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND THE UNIFORM GUIDANCE**



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

To the Concordia Parish School Board
Vidalia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concordia Parish School Board (the School Board), as of and for the year ended June 30, 2018, 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 12, 2018.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Silas Simmons, LLP".

Natchez, Mississippi
December 12, 2018



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

To the Concordia Parish School Board
 Vidalia, Louisiana

Report on Compliance with Requirements for Each Major Federal Program

We have audited the Concordia 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 Concordia Parish School Board's major federal programs for the year ended June 30, 2018. 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 the requirements of 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, 2018.

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, 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.



Natchez, Mississippi
December 12, 2018

SCHEDULES OF FINDINGS AND QUESTIONED COSTS

CONCORDIA PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | | |
|----|--|---------------|
| 1. | Type of auditor's report issued on the financial statements: | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. | Material noncompliance relating to the financial statements? | No |

Federal Awards:

- | | | |
|----|--|---------------|
| 1. | Type of auditor's report issued on compliance for major programs: | Unmodified |
| 2. | Internal control over major programs: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. | Identification of major programs: | |

CFDA Numbers

10.555

84.377

93.558

Name of Federal Program or Cluster

School Lunch Program

School Improvement Grants

Temporary Assistance for Needy Families (TANF)

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualifies as low-risk auditee?

Yes

CONCORDIA PARISH SCHOOL BOARD
CURRENT YEAR FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTION PLANNED
FOR THE YEAR ENDED JUNE 30, 2018

Section I - Internal Control and Compliance Material to the Financial Statements:

There were no current year findings.

Section II - Internal Control and Compliance Material to Federal Awards:

There were no current year findings.

Section III - Management Letter:

None issued.

**CONCORDIA PARISH SCHOOL BOARD
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

Section I - Internal Control and Compliance Material to the Financial Statements:

There were no prior year findings.

Section II - Internal Control and Compliance Material to Federal Awards:

There were no prior year findings.

Section III - Management Letter:

None issued.

CONCORDIA PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES REPORT
ON SCHOOL BOARD PERFORMANCE MEASURES

JUNE 30, 2018



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

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To the Concordia Parish School Board
Vidalia, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Concordia 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 the 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, in compliance with Louisiana Revised Statute 24:514.I. Management of the Concordia Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified user 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 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 amount for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

No differences were noted.

Class Size Characteristics (Schedule 2)

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

All classes in the sample tested above were properly classified. However, one high school class was over the maximum enrollment limit for grades 4-12 (33 students).

Members: American Institute of CPAs, Mississippi Society of CPAs, Louisiana Society of CPAs

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

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

No differences were noted.

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

No differences were noted.

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

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

Silas Simmons, LLP

Natchez, Mississippi
December 12, 2018

CONCORDIA PARISH SCHOOL BOARD**SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)****AS OF AND FOR THE YEAR ENDED JUNE 30, 2018****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 (Formerly 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.

CONCORDIA PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Column A</u>	<u>Column B</u>
<u>General Fund Instructional and Equipment Expenditures</u>		
General fund instructional expenditures:		
Teacher and student interaction activities:		
Classroom teacher salaries	\$ 10,230,981	
Other instructional staff salaries	1,439,927	
Instructional staff employee benefits	6,769,591	
Purchased professional and technical services	105,158	
Instructional materials and supplies	210,964	
Instructional equipment	<u>2,886</u>	
Total teacher and student interaction activities		\$ 18,759,507
Other instructional activities:		
Pupil support services	\$ 1,959,854	151,796
Less: equipment for pupil support services	<u>-</u>	
Net pupil support services		1,959,854
Instructional staff services		
Less: equipment for instructional staff services	\$ 1,065,893	
Net instructional staff services	<u>-</u>	1,065,893
School administration		
Less: equipment for school administration	\$ 2,385,262	
Net school administration	<u>-</u>	<u>2,385,262</u>
Total general fund instructional expenditures (total of column B)		<u>\$ 24,322,312</u>
Total general fund and equipment expenditures (object 730; functional series 1000-4000)		<u>\$ 62,771</u>
<u>Certain Local Revenue Sources</u>		
Local taxation revenue:		
Constitutional ad valorem taxes		\$ 379,978
Renewable ad valorem tax		5,084,385
Up to 1% collections by the Sheriff on taxes other than school taxes		145,639
Penalties/interest on ad valorem taxes		9,912
Sales and use taxes		<u>5,001,407</u>
Total local taxation revenue		<u>\$ 10,621,321</u>
Local earnings on investment in real property:		
Earnings from 16 th section property	\$ 83,656	
Earnings from other real property	<u>9,318</u>	
Total local earnings on investment in real property		<u>\$ 92,974</u>
State revenue in lieu of taxes:		
Revenue sharing - constitutional tax	\$ 13,095	
Revenue sharing - other taxes	<u>113,109</u>	
Total state revenue in lieu of taxes		<u>\$ 126,204</u>
Nonpublic textbook revenue		
		<u>\$ -</u>
Nonpublic transportation revenue		
		<u>\$ -</u>

CONCORDIA PARISH SCHOOL BOARD

CLASS SIZE CHARACTERISTICS

AS OF OCTOBER 1, 2017

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	24%	339	39%	105	-%	-	-%	-
Elementary Activity Classes	6%	84	6%	17	-%	-	-%	-
Middle/Junior High	25%	348	13%	36	40%	8	-%	-
Middle/Junior High Activity Classes	4%	59	3%	8	20%	4	60%	9
High	32%	460	38%	104	20%	4	7%	1
High Activity Classes	5%	77	1%	2	20%	4	33%	5
Combination	3%	41	-%	-	-%	-	-%	-
Combination Activity Classes	1%	8	-%	-	-%	-	-%	-

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.

CONCORDIA PARISH SCHOOL BOARD
AGREED-UPON PROCEDURES
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2018

The Concordia Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2018.

Independent Public Accounting Firm:

SILAS SIMMONS, LLP
209 N. COMMERCE STREET
NATCHEZ, MISSISSIPPI 39120

Audit Period: July 1, 2017 through June 30, 2018

Class Size Characteristics (Schedule 2)

Management's response: This issue primarily exists within our high school classes. We understand that there is no replacement for a certified teacher in our classrooms, but it is not economically feasible to hire a teacher for one or two additional students. Those teachers with classes approaching maximum capacity are given Paraprofessionals for assistance. We will do our best to maintain a proper teacher/student ratio in all of our classes in the future.

SUPPLEMENTARY SCHEDULE OF AGREED-UPON PROCEDURES AND FINDINGS



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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Concordia Parish School Board
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in the attached supplement, which were agreed to by Concordia Parish School Board and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. The Board's management is responsible for those control and compliance areas identified in the SAUPs.

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

Our procedures and findings are included in the supplement to this report.

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

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

Silas Simmons, LLP

Natchez, Mississippi
December 12, 2018

**CONCORDIA PARISH SCHOOL BOARD
SUPPLEMENTAL SCHEDULE OF AGREED-UPON PROCEDURES AND FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

Written Policies and Procedures

1. Obtain and inspect the Board's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.
 - 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/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - 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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - 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.
 - j) *Debt Service*, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Findings: We reviewed the written policies and procedures for the related functions listed in the above procedures. Through our review, we were able to verify that the Board has appropriate written policies and procedures for the related topics.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

Board or Finance Committee

2. Obtain and inspect the Board/finance committee minutes for the fiscal period, as well as the Board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the Board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the Board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Board's main operating account. Select the Board's main operating account and randomly select four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/Board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Findings: We obtained a list of bank accounts from the list management gave for bank confirmations and had management identify the main operating bank account. We selected the main operating bank account and randomly selected four additional bank accounts. We obtained the related bank statements and randomly selected one month from the fiscal period to review whether bank reconciliations had been prepared within two months of the related statement closing date, included evidence of a member of management unrelated to the cash collection/disbursement processes had reviewed each bank reconciliation, and included documentation that management has researched reconciling items that have been outstanding for more than 12 months from that statement closing date.

During testing, we noted that one of the five accounts selected had no evidence that a member of management or Board has reviewed each bank reconciliation.

Collections

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

Findings: We reviewed a listing of deposit sites for the fiscal period and management's representation that the listing is complete. The Board has only one deposit site.

No exceptions were noted during the above procedures.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is not responsible for collecting cash, unless another employee verifies the reconciliation.

Findings: We obtained a listing of collection locations and management's representation that the listing is complete. The Board has only one collection location at the one deposit site. We obtained written policies and procedures and inquired of management and employees to determine whether employees who are responsible for cash collections do not share cash drawers/registers, do not prepare/make bank deposits, and are not responsible for posting collection entries to the general ledger or subsidiary ledgers; and employees responsible for reconciling cash collections to the general ledger or subsidiary ledger(s) are not responsible for collecting cash.

No exceptions were noted during the above procedures.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Findings: We inquired of management to determine if they are covered by a bond or insurance policy for theft to determine that there is a blanket policy covering theft.

No exceptions were noted during the above procedures.

7. Randomly select two deposit dates for each of the five bank accounts selected for Procedure 3 under "Bank Reconciliations" (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Findings: We randomly selected two deposit dates for each of the five bank accounts selected under Procedure 3 and performed the procedures above by observing that receipts are sequentially pre-numbered, trace to collection documentation and the bank statements. We observed that deposits were made within one business day of receipt and that the deposits were traced from the bank statement to the general ledger.

No exceptions were noted during the above procedures.

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

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

Findings: We obtained a list of locations that process payments and management's representation that the listing is complete. The Board has one location for processing payments.

No exceptions were noted during the above procedures.

9. For each location selected under Procedure 8, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties, and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Findings: Using the Board's five locations, we obtained a list of employees involved with non-payroll purchasing and payment functions, and written policies and procedures. We observed that job duties are properly segregated such that at least two employees are involved in initiating, approving, and placing a purchase request; at least two employees are involved in processing and approving payments to vendors; the employee responsible for processing vendor payments cannot add/modify vendor files; and the officials responsible for signing checks give the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions were noted during the above procedures.

10. For each location selected under Procedure 8, obtain the Board's nonpayroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under Procedure 9, as applicable.

Findings: For the one location from Procedure 8, we obtained the nonpayroll disbursement transaction population and management's representation that the population is complete. We randomly selected five disbursements and obtained the supporting documentation to observe that the disbursement matched the related original invoice and that the related documentation included evidence of segregation of duties tested under Procedure 9.

No exceptions were noted during the above procedures.

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

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

Findings: We inquired of management and received a listing of all active credit cards, bank debit cards, fuel cards, and P-Cards, including the card numbers and the names of the persons who maintained possession of the cards. We also received representation from management that the listing was complete.

No exceptions were noted during the above procedures.

12. Using the listing prepared by management, randomly select five cards (or all cards if less than five) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Findings: We obtained the combined monthly statement for the fuel cards used by the entity and randomly selected one month to test in detail. We reviewed the statement to determine whether there was evidence that it was reviewed and approved, in writing, by someone other than the authorized card holder. We also reviewed the statement to determine whether finance charges and/or late fees were assessed on the statement.

No exceptions were noted during the above procedures.

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

Findings: Using the combined monthly statement selected from Procedure 12, we obtained supporting documentation for all transactions to determine whether there was an original itemized receipt, documentation of the business/public purpose, and other required written documentation. We reviewed the monthly statement to compare the transaction's detail to the Louisiana Public Bid Law. We also compared the Board's documentation of business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.

No exceptions were noted during the above procedures.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (Procedure 1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

- b) Observe that the contract was approved by the governing body/Board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

Payroll and Personnel

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the five employees/officials selected under Procedure 16, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employees'/officials' cumulative leave records, and agree the pay rates to the employees'/officials' authorized pay rates in the employees'/officials' personnel files.
- 19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

Ethics

- 20. Using the 5 randomly selected employees/officials from Procedure 16 under "Payroll and Personnel," obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

The following procedures were not performed because the entity does not have debt.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

The following procedures were not performed in the current year due to no exceptions in prior year testing.

CONCORDIA PARISH SCHOOL BOARD
SCHEDULE OF EXCEPTIONS
FOR THE YEAR ENDED JUNE 30, 2018

<u>Reference No.</u>	<u>Description of Exception</u>
<u>Bank Reconciliations</u> Procedure 3b	There was no evidence (initials/date) that someone other than those handling cash functions reviewed bank reconciliations.

Management Response

Bookkeepers do not reconcile their respective funds of responsibility. Those duties are shared with other accounting personnel and reviewed by a member of management. In the future, we will acknowledge the review process in accordance with recognized standards.