

**EAST FELICIANA  
PARISH SCHOOL BOARD**

**Clinton, Louisiana**

**Annual Financial Report**

**Year Ended June 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

Ms. Keisha Netterville, Superintendent,  
and Members of the East Feliciana Parish School Board  
Clinton, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish School Board (the School Board), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2021, 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.

## ***Emphasis of Matter***

As described in Note 20 to the financial statements in 2021, the School Board adopted new accounting guidance, GASB 84, *Fiduciary Activities*. 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 and other required supplementary information as listed in the table of contents 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 the School Board's basic financial statements. The combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, schedule of compensation paid to board members, and schedule of expenditures of federal awards 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, schedule of compensation paid to board members, and 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 nonmajor fund financial statements, the schedule of compensation, benefits, and other payments to agency head, schedule of compensation paid to board members, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2021, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
December 9, 2021

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2021**

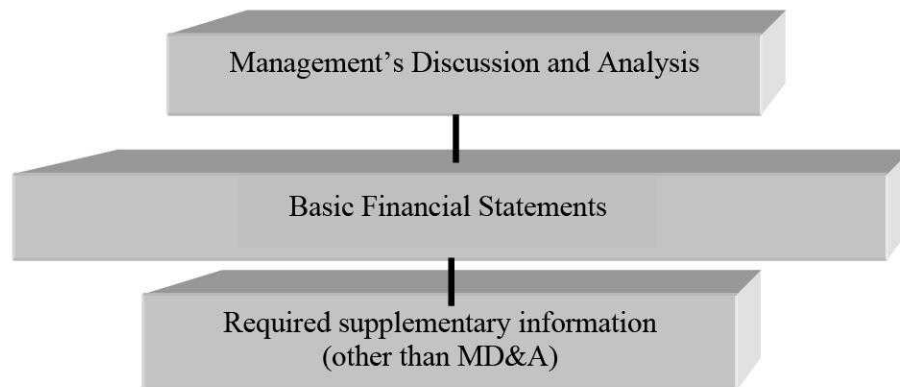
The Management’s Discussion and Analysis of the East Feliciana Parish School Board’s (the School Board) financial performance presents a narrative overview and analysis of the School Board’s financial activities for the year ended June 30, 2021. This document focuses on the current year’s activities, resulting changes, and currently known facts in comparison with the prior year’s information.

**FINANCIAL HIGHLIGHTS**

- ★ The East Feliciana Parish School Board’s liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of fiscal year 2021 by approximately \$28,680,000.
- ★ Expenses exceeded revenues by approximately \$1,841,000 for the year, indicating a decrease in the financial position of the School Board over prior year.
- ★ State MFP funding decreased by approximately \$456,000 from the prior year.
- ★ The General Fund’s fund balance increased from the prior year by approximately \$23,000 due to an increase in ad valorem tax revenues (\$34,000), and a increase in sales tax revenues (\$361,000), while total expenditures decreased by \$104,000.
- ★ The Operations and Maintenance Fund, which accounts for the proceeds of a 1% sales tax, has a fund balance of approximately \$622,000 which can be used for a variety of operating purposes. The School Board has used this fund to provide salary supplements and capital outlay for the past several years.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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



**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2021**

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements) and required supplementary information.

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

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

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

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

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

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Operations and Maintenance Fund, all of which are considered major funds. The remaining funds are combined into a single, aggregated presentation under the label of non-major governmental funds, which contains all other governmental funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.



**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2021**

**Fund financial statements (Continued)**

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of outside parties. Fiduciary funds are not reflected in the government-wide financial statements because of the resources of those funds are not available to support the School Board's programs. The School Board's fiduciary fund consists of the Sales Tax Fund, which accounts for the collection and distribution of parish-wide sales taxes.

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

**FINANCIAL ANALYSIS OF THE ENTITY**

Condensed Statements of Net Position  
as of June 30, 2021 and 2020

|  | <u>2021</u>          | <u>2020</u>          |
|--|----------------------|----------------------|
| Current assets   | \$ 3,631,836         | \$ 3,480,879         |
| Capital assets, net  | <u>9,872,601</u>     | <u>10,441,586</u>    |
| Total assets   | 13,504,437           | 13,922,465           |
| Deferred outflows of resources                                     | <u>10,850,405</u>    | <u>11,389,105</u>    |
| Total assets and deferred outflows of resources                    | <u>\$ 24,354,842</u> | <u>\$ 25,311,570</u> |
| Accounts, salaries and other payables                              | 1,986,248            | 2,016,033            |
| Revenue bonds payable  | 3,522,045            | 3,911,158            |
| Net post employment benefit obligation                             | 22,667,607           | 22,242,941           |
| Compensated absences   | 394,290              | 406,445              |
| Net pension liability  | <u>23,461,666</u>    | <u>20,521,809</u>    |
| Total liabilities  | <u>52,031,856</u>    | <u>49,098,386</u>    |
| Deferred inflows of resources                                      | <u>1,003,030</u>     | <u>3,260,680</u>     |
| Net Position:  |                      |                      |
| Net investment in capital assets                                   | 6,370,447            | 6,569,472            |
| Restricted   | 2,204,982            | 2,477,992            |
| Unrestricted   | <u>(37,255,473)</u>  | <u>(36,094,960)</u>  |
| Total net position   | <u>(28,680,044)</u>  | <u>(27,047,496)</u>  |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 24,354,842</u> | <u>\$ 25,311,570</u> |

- Current assets increased by approximately \$151,000 or 4% over the prior year. These assets, consisting of cash in local financial institutions and amounts due to the School Board from other organizations comprise approximately 27% of total assets.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2021**

**FINANCIAL ANALYSIS OF THE ENTITY (Continued)**

- Capital assets, which are reported net of accumulated depreciation, account for 73% of the total assets of the School Board for the most recent year ended.
- Total liabilities have increased by approximately \$2,934,000 primarily related to an increase in the net pension liability and an increase in the net post-employment benefit obligation. More information regarding long-term debt, the net pension liability, and the net post-employment benefit obligation can be found in Notes 7, 8, and 9 to the financial statements.

Condensed Statements of Revenues and Expenses  
for the years ended June 30, 2021 and 2020

| <b>Program revenues</b>                  | <u>2021</u>           | <u>2020</u>         |
|--|-----------------------|---------------------|
| Charges for services                     | \$ 575,902            | \$ 714,493          |
| Operating grants                         | 5,334,437             | 3,196,466           |
| <b>General revenues</b>                  |                       |                     |
| Property taxes                           | 3,895,581             | 3,862,256           |
| Sales taxes                              | 4,078,728             | 3,717,156           |
| Earnings on investments                  | 144                   | 31,692              |
| MFP                                      | 10,156,565            | 10,613,060          |
| Other                                    | <u>536,600</u>        | <u>470,824</u>      |
| Total revenues                           | <u>24,577,957</u>     | <u>22,605,947</u>   |
| <b>Expenses</b>                          |                       |                     |
| Instruction:                             |                       |                     |
| Regular education                        | 8,421,423             | 7,244,614           |
| Special education                        | 827,423               | 815,449             |
| Vocational education                     | 181,622               | 358,657             |
| Other education                          | 2,346,475             | 1,449,281           |
| Support Services:                        |                       |                     |
| Pupil support                            | 680,492               | 575,240             |
| Instructional staff                      | 3,432,487             | 2,370,657           |
| General administrative                   | 778,532               | 761,248             |
| School administrative                    | 1,064,108             | 1,147,671           |
| Business and central services            | 494,951               | 486,779             |
| Plant operation and maintenance          | 2,206,010             | 2,157,223           |
| Transportation                           | 1,318,096             | 1,274,676           |
| Food service                             | 958,702               | 1,078,283           |
| Central services                         | 81,990                | 117,418             |
| Interest charged on long-term debt       | 17,562                | 18,142              |
| Appropriation to the charter school      | <u>3,609,222</u>      | <u>3,588,453</u>    |
| Total expenses                           | <u>26,419,095</u>     | <u>23,443,791</u>   |
| Excess of revenues over (under) expenses | <u>\$ (1,841,138)</u> | <u>\$ (837,844)</u> |

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2021**

**FINANCIAL ANALYSIS OF THE ENTITY (Continued)**

Change in Net Position

- MFP, which accounts for 41% of total general revenues for 2021, decreased by approximately \$456,000.
- Ad valorem taxes, which account for 16% of total general revenues for 2021, increased by approximately \$34,000.
- Sales taxes, which account for 17% of total revenues for 2021, increased by approximately \$362,000.
- Operating grant revenues, comprising 22% of total revenues for 2021, increased by approximately \$2,138,000.
- Expenses increased by approximately \$2,975,000 or 13% over the previous year and were primarily related to the change in grant funding received in 2021.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2021, the East Feliciana Parish School Board had approximately \$9.9 million invested in a broad range of capital assets, including land, building, and equipment. (See Table below).

This amount represents a decrease (including additions and deductions) of approximately \$569,000 over last year due to depreciation expense of approximately \$659,000 and net additions of approximately \$90,000.

Capital Assets at Year-end  
(Net of Accumulated Depreciation)

|                            | 2021         | 2020          |
|----------------------------|--------------|---------------|
| Land                       | \$ 1,706,878 | \$ 1,706,878  |
| Buildings and Improvements | 8,033,819    | 8,564,976     |
| Equipment                  | 131,904      | 128,482       |
| Construction-in-Progress   | -            | 41,250        |
| Totals                     | \$ 9,872,601 | \$ 10,441,586 |

**Long-term debt**

At June 30, 2021, the School Board had \$3,522,000 in bonds for the purpose of construction, rehabilitation and renovations. Long-term liabilities also consist of compensated absences payable of \$394,000, net other post-employment benefit obligation of \$22,668,000 and a net pension liability of \$23,462,000. Details regarding long-term debt can be found in Notes 7, 8, and 9 to the financial statements.

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

Over the course of the year, the General Fund operating budget was amended. The amendment of the operating budget is a customary practice and is reflective of the change that occurs with financial related matters throughout the fiscal year. The most significant changes during 2021 were as follows:

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2021**

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS (Continued)**

**Revenues:**

The General Fund budget was amended from the original projections to reflect increases in ad valorem taxes (\$50,000) and sales tax (120,000), and a decrease in MFP (\$575,000).

**Expenditures:**

Budgeted expenditures were amended to reflect increased amounts incurred for regular education programs and instructional staff services. Budgeted expenditures were amended to reflect decreased amounts incurred for vocational education programs, pupil support services, general and school administration services, business services, plant services and student transportation services. In total, the General Fund expenditure budget was amended from the original projections to reflect decreases in total expenditures of approximately \$144,000.

**ANALYSIS OF FUND BALANCES**

The General Fund's fund balance of \$1,965,000 represents amounts restricted for future salary and benefits expenditures. Best practices recommend that governments maintain general fund balances equal to 10% of annual expenditures. The Operations and Maintenance Fund's fund balance of \$622,000 is also available for a broad range of uses, including operating costs paid by the General Fund. On a combined basis, these two funds' fund balance equals approximately 14% of annual expenditures of the two funds.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The East Feliciana Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Sales tax revenues are budgeted to decrease approximately 4% from the 2022 budgeted amount.
- Ad-valorem tax revenues are expected to increase by 2%.
- The General Fund operating budget was adopted to operate at a \$180,000 surplus.
- Health insurance and retirement benefit payments are expected to increase on an individual basis.
- State funding through MFP is expected to remain consistent with the prior year.
- Appropriation of funds to the charter school is expected to be comparable 2021 amounts.

**CONTACTING THE EAST FELICIANA PARISH SCHOOL BOARD'S MANAGEMENT**

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the School Board's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Mr. Tommy LeJeune, CPA, Faulk & Winkler, LLC, c/o East Feliciana Parish School Board, 12732 Silliman Street, Clinton, LA 70722, (225) 683-8277.

## **BASIC FINANCIAL STATEMENTS**

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Statement of Net Position  
Governmental Activities  
June 30, 2021

| ASSETS                                 |                        |
|--|------------------------|
| Cash and cash equivalents              | \$ 1,422,214           |
| Sales tax receivable                   | 347,956                |
| Due from other governments             | 194,371                |
| Other grants receivable                | 1,619,648              |
| Inventory                              | 42,150                 |
| Other assets                           | 5,497                  |
| Capital assets:                        |                        |
| Non-depreciable                        | 1,706,878              |
| Depreciable, net                       | <u>8,165,723</u>       |
| Total assets                           | <u>13,504,437</u>      |
| DEFERRED OUTFLOWS OF RESOURCES         |                        |
| Other post-employment benefit related  | 4,601,653              |
| Pension related                        | <u>6,248,752</u>       |
| Total deferred outflows of resources   | <u>10,850,405</u>      |
| LIABILITIES                            |                        |
| Accounts, salaries and other payables  | 1,984,603              |
| Interest payable                       | 1,645                  |
| Long-term liabilities:                 |                        |
| Due within one year                    | 475,781                |
| Due in more than one year              | 3,440,554              |
| Other post employment benefits payable | 22,667,607             |
| Net pension liability                  | <u>23,461,666</u>      |
| Total liabilities                      | <u>52,031,856</u>      |
| DEFERRED INFLOWS OF RESOURCES          |                        |
| Other post-employment benefit related  | 359,679                |
| Pension related                        | <u>643,351</u>         |
| Total deferred inflows of resources    | <u>1,003,030</u>       |
| NET POSITION                           |                        |
| Net investment in capital assets       | 6,370,447              |
| Restricted for:                        |                        |
| Salaries and benefits                  | 1,965,095              |
| Facilities improvements                | 10,981                 |
| Student activities                     | 228,906                |
| Unrestricted                           | <u>(37,255,473)</u>    |
| Total net position                     | <u>\$ (28,680,044)</u> |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Statement of Activities  
Governmental Activities  
For the year ended June 30, 2021

| Functions/Programs  | Expenses             | Program Revenues        |  | Net (Expense)<br>Revenue and<br>Changes in Net Position |
|---|----------------------|-------------------------|--|---|
|   |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions |   |
| Governmental activities:                                      |                      |                         |  |   |
| Instruction:  |                      |                         |  |   |
| Regular programs  | \$ 8,421,423         | \$ -                    | \$ 439,306                               | \$ (7,982,117)  |
| Special education programs                                    | 827,423              | -                       | 156,695                                  | (670,728)   |
| Vocational education programs                                 | 181,622              | -                       | -  | (181,622)   |
| Other instructional programs                                  | 2,346,475            | -                       | 2,159,460                                | (187,015)   |
| Support services:   |                      |                         |  |   |
| Pupil support services  | 680,492              | -                       | 145,605                                  | (534,887)   |
| Instructional staff services                                  | 3,432,487            | 571,459                 | 1,637,573                                | (1,223,455)   |
| General administration  | 778,532              | -                       | -  | (778,532)   |
| School administration   | 1,064,108            | -                       | -  | (1,064,108)   |
| Business services   | 494,951              | -                       | -  | (494,951)   |
| Plant operation and maintenance                               | 2,206,010            | -                       | 47,396                                   | (2,158,614)   |
| Transportation  | 1,318,096            | -                       | -  | (1,318,096)   |
| Central services  | 81,990               | -                       | -  | (81,990)  |
| Food services   | 958,702              | 4,443                   | 748,402                                  | (205,857)   |
| Appropriation to charter school                               | 3,609,222            | -                       | -  | (3,609,222)   |
| Interest on long-term debt                                    | 17,562               | -                       | -  | (17,562)  |
| Total governmental activities                                 | <u>\$ 26,419,095</u> | <u>\$ 575,902</u>       | <u>\$ 5,334,437</u>                      | <u>(20,508,756)</u>                                     |
| Taxes:  |                      |                         |  |   |
| Ad valorem taxes  |                      |                         |  | 3,895,581   |
| Sales and use taxes   |                      |                         |  | 4,078,728   |
| State revenue sharing   |                      |                         |  | 46,092  |
| Grants and contributions not restricted to specific programs: |                      |                         |  |   |
| Minimum Foundation Program (MFP)                              |                      |                         |  | 10,156,565  |
| Interest and investment earnings                              |                      |                         |  | 144   |
| Miscellaneous   |                      |                         |  | 490,508   |
| Total general revenues  |                      |                         |  | <u>18,667,618</u>                                       |
| Change in net position  |                      |                         |  | (1,841,138)   |
| Net position - beginning, as restated                         |                      |                         |  | <u>(26,838,906)</u>                                     |
| Net position - ending   |                      |                         |  | <u>\$ (28,680,044)</u>                                  |

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



**FUND FINANCIAL STATEMENTS (FFS)**

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Balance Sheet  
Governmental Funds  
June 30, 2021

|   | General      | Operations<br>and<br>Maintenance | Non-major<br>Governmental | Total        |
|---|--------------|----------------------------------|---------------------------|--------------|
| <b>ASSETS</b>                           |              |                                  |                           |              |
| Cash and cash equivalents               | \$ 6,163     | \$ 385,317                       | \$ 1,030,734              | \$ 1,422,214 |
| Sales tax receivable                    | 173,978      | 173,978                          | -                         | 347,956      |
| Due from other governments              | 194,371      | -                                | -                         | 194,371      |
| Other grants receivable                 | 1,377        | -                                | 1,618,271                 | 1,619,648    |
| Due from other funds                    | 2,490,337    | 337,410                          | 212,440                   | 3,040,187    |
| Inventory                               | -            | -                                | 42,150                    | 42,150       |
| Other assets                            | 5,497        | -                                | -                         | 5,497        |
| Total assets                            | \$ 2,871,723 | \$ 896,705                       | \$ 2,903,595              | \$ 6,672,023 |
| <b>LIABILITIES AND FUND BALANCES</b>    |              |                                  |                           |              |
| Liabilities:                            |              |                                  |                           |              |
| Accounts payable                        | \$ 398,702   | \$ -                             | \$ -                      | \$ 398,702   |
| Salaries and benefits payable           | 1,585,901    | -                                | -                         | 1,585,901    |
| Due to other funds                      | 102,324      | 274,694                          | 2,663,169                 | 3,040,187    |
| Total liabilities                       | 2,086,927    | 274,694                          | 2,663,169                 | 5,024,790    |
| Fund balances:                          |              |                                  |                           |              |
| Nonspendable                            | -            | -                                | 42,150                    | 42,150       |
| Restricted for:                         |              |                                  |                           |              |
| Salaries and benefits                   | 1,965,095    | -                                | -                         | 1,965,095    |
| Facility and improvements               | -            | -                                | 10,981                    | 10,981       |
| Student activities                      | -            | -                                | 228,906                   | 228,906      |
| Assigned for operations and maintenance | -            | 622,011                          | -                         | 622,011      |
| Unassigned                              | (1,180,299)  | -                                | (41,611)                  | (1,221,910)  |
| Total fund balances                     | 784,796      | 622,011                          | 240,426                   | 1,647,233    |
| Total liabilities and fund balances     | \$ 2,871,723 | \$ 896,705                       | \$ 2,903,595              | \$ 6,672,023 |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2021

|  |                  |                        |
|--|------------------|------------------------|
| Total fund balances for governmental funds |                  | \$ 1,647,233           |
| Capital assets, net                        |                  | 9,872,601              |
| Long-term liabilities:                     |                  |                        |
| Accrued interest payable                   | \$ (1,645)       |                        |
| Outstanding bonds                          | (3,502,154)      |                        |
| Capital lease payable                      | (19,891)         |                        |
| Compensated absences payable               | <u>(394,290)</u> | (3,917,980)            |
| Pension:                                   |                  |                        |
| Net pension liability                      | (23,461,666)     |                        |
| Deferred outflows of resources             | 6,248,752        |                        |
| Deferred inflows of resources              | <u>(643,351)</u> | (17,856,265)           |
| Other Post Employment Benefits (OPEB):     |                  |                        |
| Net OPEB obligation                        | (22,667,607)     |                        |
| Deferred outflows of resources             | 4,601,653        |                        |
| Deferred inflows of resources              | <u>(359,679)</u> | <u>(18,425,633)</u>    |
| Net position                               |                  | <u>\$ (28,680,044)</u> |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Statement of Revenues, Expenses, and Changes in Fund Balance  
Governmental Funds  
For the year ended June 30, 2021

|  | General            | Operations<br>and<br>Maintenance | Other<br>Governmental | Totals              |
|--|--------------------|----------------------------------|-----------------------|---------------------|
| <b>Revenues</b>                                      |                    |                                  |                       |                     |
| Local sources -                                      |                    |                                  |                       |                     |
| Ad valorem taxes                                     | \$ 3,895,581       | \$ -                             | \$ -                  | \$ 3,895,581        |
| Sales taxes  | 2,039,364          | 2,039,364                        | -                     | 4,078,728           |
| Earnings on investments                              | 71                 | 42                               | 31                    | 144                 |
| Other  | 175,156            | -                                | 809,164               | 984,320             |
| State sources -                                      |                    |                                  |                       |                     |
| MFP  | 10,137,709         | -                                | 18,856                | 10,156,565          |
| Revenue sharing                                      | 46,092             | -                                | -                     | 46,092              |
| Other  | 39,006             | -                                | 427,679               | 466,685             |
| Federal sources                                      | -                  | -                                | 4,867,752             | 4,867,752           |
| Total revenues                                       | <u>16,332,979</u>  | <u>2,039,406</u>                 | <u>6,123,482</u>      | <u>24,495,867</u>   |
| <b>Expenditures</b>                                  |                    |                                  |                       |                     |
| Current:   |                    |                                  |                       |                     |
| Instruction -  |                    |                                  |                       |                     |
| Regular programs                                     | 7,307,376          | 19                               | 436,885               | 7,744,280           |
| Special education programs                           | 596,443            | -                                | 156,695               | 753,138             |
| Vocational education programs                        | 135,272            | -                                | 29,864                | 165,136             |
| Other instructional programs                         | 398,489            | -                                | 1,857,001             | 2,255,490           |
| Support services -                                   |                    |                                  |                       |                     |
| Pupil support services                               | 458,957            | -                                | 145,605               | 604,562             |
| Instructional staff support services                 | 897,519            | -                                | 2,171,342             | 3,068,861           |
| General administration                               | 731,695            | -                                | -                     | 731,695             |
| School administration                                | 946,407            | -                                | -                     | 946,407             |
| Business services                                    | 460,075            | -                                | -                     | 460,075             |
| Plant services                                       | 1,388,328          | 56,894                           | 47,396                | 1,492,618           |
| Student transportation services                      | 1,244,202          | -                                | -                     | 1,244,202           |
| Central services                                     | 73,232             | -                                | -                     | 73,232              |
| Food services  | 59,669             | -                                | 842,227               | 901,896             |
| Capital outlay                                       | -                  | 66,226                           | -                     | 66,226              |
| Appropriation to charter school                      | 3,609,222          | -                                | -                     | 3,609,222           |
| Debt service   | 406,675            | -                                | -                     | 406,675             |
| Total expenditures                                   | <u>18,713,561</u>  | <u>123,139</u>                   | <u>5,687,015</u>      | <u>24,523,715</u>   |
| Excess (deficiency) of revenues<br>over expenditures | <u>(2,380,582)</u> | <u>1,916,267</u>                 | <u>436,467</u>        | <u>(27,848)</u>     |
| Other financing sources (uses):                      |                    |                                  |                       |                     |
| Transfers in   | 2,473,956          | -                                | 70,000                | 2,543,956           |
| Transfers out  | (70,000)           | (1,951,267)                      | (522,689)             | (2,543,956)         |
| Total other financing sources (uses)                 | <u>2,403,956</u>   | <u>(1,951,267)</u>               | <u>(452,689)</u>      | <u>-</u>            |
| Net change in fund balances                          | 23,374             | (35,000)                         | (16,222)              | (27,848)            |
| Fund balances, beginning, as restated                | <u>761,422</u>     | <u>657,011</u>                   | <u>256,648</u>        | <u>1,675,081</u>    |
| Fund balances, ending                                | <u>\$ 784,796</u>  | <u>\$ 622,011</u>                | <u>\$ 240,426</u>     | <u>\$ 1,647,233</u> |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the year ended June 30, 2021

|   |                  |                       |
|---|------------------|-----------------------|
| Net change in fund balances per Statement of Revenues, Expenditures<br>and Changes in Fund Balances |                  | \$ (27,848)           |
| Capital assets:   |                  |                       |
| Capital outlay  | \$ 90,121        |                       |
| Depreciation expense  | <u>(659,106)</u> | (568,985)             |
| Bond principal retirement   |                  | 369,960               |
| Capital lease payments  |                  | 19,153                |
| Change in compensated absences  |                  | 12,155                |
| Change in net OPEB obligation   |                  | (1,415,895)           |
| Nonemployer pension contributions   |                  | 82,090                |
| Change in pension obligation  |                  | <u>(311,768)</u>      |
| Change in net position per Statement of Activities  |                  | <u>\$ (1,841,138)</u> |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Statement of Fiduciary Net Position  
June 30, 2021

|                                    | <u>Sales<br/>Tax<br/>Fund</u> |
|------------------------------------|-------------------------------|
| ASSETS                             |                               |
| Cash and interest bearing deposits | \$ 819,567                    |
| Taxes receivable                   | <u>517,935</u>                |
| Total assets                       | <u>1,337,502</u>              |
| LIABILITIES                        |                               |
| Accounts payable                   | <u>1,042,650</u>              |
| NET POSITION                       |                               |
| Net position held for others       | <u><u>\$ 294,852</u></u>      |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Statement of Changes in Fiduciary Net Position  
For the year ended June 30, 2021

|                                      | <u>Sales<br/>Tax<br/>Fund</u> |
|--------------------------------------|-------------------------------|
| Additions                            |                               |
| Interest income                      | \$ 85                         |
| Tax collections                      | <u>6,070,092</u>              |
| Total additions                      | 6,070,177                     |
| Deductions                           |                               |
| Tax disbursements                    | <u>6,075,129</u>              |
| Change in net position               | (4,952)                       |
| Net position, beginning, as restated | <u>299,804</u>                |
| Net position, ending                 | <u>\$ 294,852</u>             |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 for the purpose of providing public education for the residents of East Feliciana Parish (Parish). The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine local supplements to their salaries. The School Board is currently comprised of 13 members who are elected from 7 districts for a term of four years.

The School Board operates five schools within the parish with a total enrollment of over 1,800 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board's financial statements include all accounts of the School Board's operations. The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for financial statements as a component unit is financial accountability. Financial accountability includes the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity. Based on these criteria, the School Board has no component units.

B. Basis of Presentation

The School Board's *Basic Financial Statements* consist of the government-wide statements (on all of the non-fiduciary activities) and the fund financial statements (individual major fund, combined non-major funds, and the combined fiduciary funds.) The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental entities.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all non-fiduciary type activities. As a general rule, the effect of inter-fund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the School Board as an entity over the long term and the change in aggregate economic position resulting from the activities of the fiscal period.



EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

All programs of the School Board are considered to be *governmental activities* since all of the activities are normally supported by taxes and intergovernmental revenues, rather than fees for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues included in the Statement of Activities are derived from parties outside the School Board's taxpayers or citizenry. As a whole, program revenues reduce the cost of the function to be financed from the taxpayers.

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities.

Fund Financial Statements

The daily accounts and operations of the School Board are organized and maintained on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled.

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

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

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

The School Board reports the following major governmental funds:

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

The Operations and Maintenance Fund accounts for the proceeds of the one cent sales tax. The School Board uses the proceeds to fund salary supplements and capital improvements. The tax is used as

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

follows: 91% is to be used for the purpose of paying salaries and benefits for all employees of the School Board, 9% for maintaining and operating public schools in East Feliciana Parish.

Additionally, the School Board reports the following fund types:

Special Revenue Funds

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

Capital Projects Funds

Capital projects funds account for the resources and expenditures of the School Board that are used for specific capital construction projects.

Fiduciary Funds

The fiduciary fund of the School Board is considered a custodial funds and accounts for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the School Board.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gain, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized in accordance with the requirements of GASB.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

Program revenues

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

Allocation of indirect expenses

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

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

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year 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. State law 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. The taxes are based on assessed values determined by the Assessor of East Feliciana Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions.

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 used.

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

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. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded as a general long-term liability.

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 as expenditures when earned by the contractor. Principal and interest on general long-term debt are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred if it is expected to be paid within the next twelve months. Liabilities which will not be liquidated with expendable available financial resources are not recorded in the funds.

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.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and Cash Equivalents

Under state law, the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, notes, bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Cash and cash equivalents include cash on hand and cash on deposit with the fiscal agent bank. These deposits are stated at cost, which approximates fair value. Under state law, the resulting bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The estimated fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

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 account was not considered necessary.

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.

Inventory

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used. Inventory of the School Lunch 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.

Prepaid Expenses

Certain payments to vendors reflect cost applicable to future accounting periods are reported as prepaid items. Prepaid items are also accounted for using the consumption method where expenditures are recognized as the prepaid item expires with the passage of time.

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:

|                          |             |
|--------------------------|-------------|
| Buildings & Improvements | 10-40 years |
| Furniture & Equipment    | 5-15 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.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

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.

Compensated Absences

All twelve-month employees earn annual leave based on the date of employment in accordance with the following schedule:

| <u>Years of service</u> | <u># of annual<br/>leave days</u> |
|-------------------------|-----------------------------------|
| 0-5                     | 10 days                           |
| 6-15                    | 15 days                           |
| 16+                     | 20 days                           |

Annual leave may be accumulated and carried forward as earned up to a maximum of 30 days. Upon retirement or separation of employment, all unused accumulated vacation leave is paid to all eligible employees or to their estates.

All School Board employees earn 8 to 18 days of sick leave each year, which can be accumulated without limitation depending upon length of service with the School Board. Upon retirement or death for employees with 20 years or more experience, unused sick leave of up to 25 days is paid to the employee (or heirs) at the employee's current rate of pay, and all unused sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for rest and recuperation or for professional and cultural improvement. Sabbatical leave benefits are recorded as an expenditure of the period in which paid. The cost of leave privileges, computed in accordance with GAAP, is recognized as a current year expenditure in the governmental funds when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Long-term liabilities

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

All long-term liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term liabilities consist primarily of bonds payable, accrued compensated absences, pension liabilities and other post-retirement benefits.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and

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payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Deferred Outflows of Resources and Deferred Inflows of Resources

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

Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

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

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

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

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

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

*Unassigned* – all other spendable amounts.

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

E. Interfund Transfers

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.

F. Sales Tax

The East Feliciana Parish School Board levies a combined two percent sales and use tax within East Feliciana Parish consisting of:

- a. A one percent sales and use tax renewed on October 21, 1995, for the ten years beginning June 30, 1998. One-half of the proceeds of this one percent sales tax are dedicated to the payment of teachers’ salaries. The remainder of the proceeds is to be used for the operations, including maintenance and improvement of school buildings and sites of the public schools in East Feliciana Parish. This tax was renewed effective July 1, 2018, for a period of ten years.
- b. An additional one percent sales tax was approved by voters of the Parish on October 17, 1981, and originally set to expire on December 31, 2007. This sales tax is dedicated to capital improvements of the public school system of East Feliciana Parish, payment of any indebtedness incurred in making capital improvements, and payment of maintenance and operational expenses of the School Board. This tax was renewed for a second time effective January 1, 2018, for a period of ten years. Ninety-one percent of this tax was dedicated by the School Board for the payment of salary supplements.

The sales tax department of the School Board also collects sales and use taxes levied by the East Feliciana Parish Police Jury (Police Jury). The Police Jury pays the School Board a collection fee that is negotiated annually. The collection and distribution of the sales taxes are accounted for in the Sales Tax custodial fund.



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G. Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

H. Postemployment Benefits Other than Pensions (OPEB)

The net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense, has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

I. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

(2) Property Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property which is assessed by the Louisiana Tax Commission. The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings be assessed at 10% of "use" value; and all other property be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years. The Sheriff of East Feliciana Parish, as provided by state law, is the official tax collector of property taxes levied by the parish and parish special districts.

Property taxes are recognized as revenue in the fiscal year for which they are levied. State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Tax bills are mailed in November/December. If taxes are not paid by the due date of December 31, they bear interest at one percent per month until paid. After notice is given to the delinquent taxpayers, the sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed. The following is a summary of parish-wide authorized and levied ad-valorem taxes for the year:

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|  | Authorized<br>Millage | Levied<br>Millage | Expiration<br>Date |
|--|-----------------------|-------------------|--------------------|
| Parish-wide taxes:                       |                       |                   |                    |
| Constitutional, levied September 2002    | 5.00                  | 3.34              | None               |
| School Board Salary, levied January 2017 | 17.00                 | 17.00             | 2026               |

(3) Cash and Cash Equivalents

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may also deposit funds in time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

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

|   |              |
|---|--------------|
| Bank balances   | \$ 3,154,099 |
| Insured deposits  | \$ 1,679,025 |
| Uninsured and collateral held by the pledging bank not in the School Board's name | 1,475,074    |
| Total   | \$ 3,154,099 |

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(4) Due From/To Other Funds

Individual balances due from/to other funds are as follows:

|                            | Due from<br>other funds | Due to<br>other funds |
|----------------------------|-------------------------|-----------------------|
| Major funds:               |                         |                       |
| General Fund               | \$ 2,490,337            | \$ 102,324            |
| Operations and Maintenance | 337,410                 | 274,694               |
| Total major funds          | 2,827,747               | 377,018               |
| Nonmajor funds             | 212,440                 | 2,663,169             |
| Total                      | \$ 3,040,187            | \$ 3,040,187          |

Balances 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.

(5) Interfund Transfers

Transfers consisted of the following:

|                                 | Transfers<br>In | Transfers<br>Out |
|---------------------------------|-----------------|------------------|
| Major funds:                    |                 |                  |
| General Fund                    | \$2,473,956     | \$ 70,000        |
| Operations and Maintenance Fund | -               | 1,951,267        |
| Nonmajor funds                  | 70,000          | 522,689          |
| Total                           | \$2,543,956     | \$2,543,956      |

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.

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(6) Capital Assets

Capital asset activity for the year was as follows:

|  | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Deletions</u>   | <u>Ending<br/>Balance</u> |
|--|------------------------------|---------------------|--------------------|---------------------------|
| Capital assets not being depreciated:      |                              |                     |                    |                           |
| Land                                       | \$ 1,706,878                 | \$ -                | \$ -               | \$ 1,706,878              |
| Construction in progress                   | 41,250                       | -                   | (41,250)           | -                         |
| Total capital assets not being depreciated | <u>1,748,128</u>             | <u>-</u>            | <u>(41,250)</u>    | <u>1,706,878</u>          |
| Capital assets being depreciated:          |                              |                     |                    |                           |
| Buildings & improvements                   | 24,201,974                   | 109,976             | -                  | 24,311,950                |
| Furniture & equipment                      | 1,295,765                    | 21,395              | (5,745)            | 1,311,415                 |
| Total capital assets being depreciated     | <u>25,497,739</u>            | <u>131,371</u>      | <u>(46,995)</u>    | <u>25,623,365</u>         |
| Less accumulated depreciation:             |                              |                     |                    |                           |
| Buildings & improvements                   | 15,636,998                   | 641,133             | -                  | 16,278,131                |
| Furniture & equipment                      | 1,167,283                    | 17,973              | 5,745              | 1,179,511                 |
| Total accumulated depreciation             | <u>16,804,281</u>            | <u>659,106</u>      | <u>5,745</u>       | <u>17,457,642</u>         |
| Net capital assets                         | <u>\$ 10,441,586</u>         | <u>\$ (527,735)</u> | <u>\$ (41,250)</u> | <u>\$ 9,872,601</u>       |

Depreciation expense of \$659,106 was charged plant operation and maintenance function in the statement of activities.

(7) Long-Term Liabilities

A summary of long-term debt follows:

|  | <u>Issue<br/>Date</u> | <u>Maturity<br/>Date</u> | <u>Original<br/>Issue</u> | <u>Interest<br/>Rate</u> | <u>Outstanding<br/>Principal</u> |
|--|-----------------------|--------------------------|---------------------------|--------------------------|----------------------------------|
| Direct placements and direct borrowings: |                       |                          |                           |                          |                                  |
| Qualified School Construction            |                       |                          |                           |                          |                                  |
| Bonds, Series 2011                       | 6/22/2011             | 6/15/2026                | \$ 820,000                | 0.800%                   | \$ 273,330                       |
| Qualified Zone Academy                   |                       |                          |                           |                          |                                  |
| Bonds, Series 2016                       | 12/15/2016            | 12/15/2033               | \$ 4,000,000              | 0.000%                   | 3,058,824                        |
| Revenue Bonds, Series 2013               | 7/19/2013             | 3/15/2023                | \$ 750,000                | 2.340%                   | 170,000                          |
| Alio Lease                               | 11/10/2016            | 11/10/2021               | \$ 113,004                | 3.853%                   | 19,891                           |
| Total                                    |                       |                          |                           |                          | <u>\$ 3,522,045</u>              |

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The table above includes a lease that is considered a financed purchase in accordance with GAAP.

The amount of interest charged to expense for year is \$17,562.

Compensated absences, claims and litigation typically have been liquidated by the General Fund and a few other governmental funds. All long-term liabilities will be funded by either the School Board's General Fund or Operations and Maintenance Fund and will be appropriated in the year payment is necessary.

For the purpose of construction, rehabilitation, and renovations, the School Board issued \$820,000 of bonds payable through the federally sponsored Qualified School Construction Bond Program during the year ended June 30, 2011. The bond bears interest at 0.80% (coupon rate) and interest is to be paid on March 15, June 15, September 15, and December 15 each year commencing September 15, 2011, and ending June 15, 2026. Principal payments are to be paid on June 15 of each year. The bond is paid from the levy and collection of constitutional property tax of three and thirty-four hundredths (3.34) mills. Events of default are outlined in the official statements of the Series 2011 bond and include failure to remit payments timely. In addition, failure to observe or perform any other agreement contained in the official statement that is not remedied within 30 days of receiving written notice will be considered a default. The remedies in the event of default are also outlined in the official bond statement and include steps for the issuers to pursue until the default is remedied. Such remedies include, but are not limited to, declaring all payments immediately due and payable.

On July 19, 2013, the School Board issued a \$750,000 bond for various capital expenditures planned for 2014. The series 2013 bonds bear interest at 2.34% and is secured by a pledge of property taxes. Interest payments are made semi-annually on March 15, and September 15, while principal payments are made on March 15, annually. The bonds mature on March 15, 2023. The bond is paid from the levy and collection of constitutional property tax of three and thirty-four hundredths (3.34) mills. No default provision is provided for in the bond agreement. The bonds do include an early redemption provision at the option of the Issuer, in whole or in part, on or after June 15, 2018, without a prepayment penalty.

On December 15, 2016, the School Board issued a \$4.0 million Qualified Zone Academy Bond (a "QZAB") with a term of 17 years with no interest. The payments are made semi-annually on June 15, and December 15. The QZAB proceeds will be utilized in rehabilitating, repairing and equipping the public school facilities throughout the School Board comprising the Qualified Zone Academy. The bond is paid from the levy and collection of a constitutional property tax of three and thirty-four hundredths (3.34) mills. No default provision is provided for in the bond agreement.

On November 10, 2016, the School Board signed a lease with Government Capital Corporation for the Alio accounting and payroll system software. The lease represents a direct borrowing financed purchase and is secured by the leased assets which had a value of \$113,004. The payments are made yearly on November 10<sup>th</sup> and has an interest rate of 3.853%. In the event of default or termination, the Lessor may declare all amounts due and payable and request that the software be returned to the Lessor.

The School Board is legally restricted from incurring long-term bonded debt in excess of thirty-five percent of the net assessed value of taxable property. The net assessed value of taxable property during the year for the parish was \$188,939,369, which would result in a \$66,128,779 bonded debt limit.

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A summary of changes in long term liabilities for the year is as follows:

|                         | <u>Beginning<br/>Balance</u> | <u>Additions</u>  | <u>Reductions</u>   | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|-------------------------|------------------------------|-------------------|---------------------|---------------------------|--------------------------------|
| Qualified School        |                              |                   |                     |                           |                                |
| Construction Bonds      | \$ 327,996                   | \$ -              | \$ (54,666)         | \$ 273,330                | \$ 54,667                      |
| Qualified Zone          |                              |                   |                     |                           |                                |
| Academy Bonds           | 3,294,118                    | -                 | (235,294)           | 3,058,824                 | 235,294                        |
| Revenue Bonds           | 250,000                      | -                 | (80,000)            | 170,000                   | 85,000                         |
| Alio Lease              | 39,044                       | -                 | (19,153)            | 19,891                    | 19,891                         |
| Compensated<br>absences | <u>406,445</u>               | <u>534,962</u>    | <u>(547,117)</u>    | <u>394,290</u>            | <u>80,929</u>                  |
|                         | <u>\$ 4,317,603</u>          | <u>\$ 534,962</u> | <u>\$ (936,230)</u> | <u>\$ 3,916,335</u>       | <u>\$ 475,781</u>              |

Principal and interest payments on direct placement debt are due as follows:

| <u>Year Ending<br/>June 30,</u> | <u>Principal<br/>payments</u> | <u>Interest<br/>payments</u> | <u>Total</u>        |
|---------------------------------|-------------------------------|------------------------------|---------------------|
| 2022                            | \$ 374,961                    | \$ 6,165                     | \$ 381,126          |
| 2023                            | 374,961                       | 3,739                        | 378,700             |
| 2024                            | 289,960                       | 1,312                        | 291,272             |
| 2025                            | 289,960                       | 875                          | 290,835             |
| 2026                            | 289,960                       | 437                          | 290,397             |
| 2027-2031                       | 1,176,470                     | -                            | 1,176,470           |
| 2032-2033                       | <u>705,884</u>                | <u>-</u>                     | <u>705,884</u>      |
| Totals                          | <u>\$ 3,502,156</u>           | <u>\$ 12,528</u>             | <u>\$ 3,514,684</u> |

Principal and interest payments on leases are as follows:

| <u>Year Ending<br/>June 30,</u> | <u>Principal<br/>payments</u> | <u>Interest<br/>payments</u> | <u>Total</u>     |
|---------------------------------|-------------------------------|------------------------------|------------------|
| 2022                            | <u>\$ 19,891</u>              | <u>\$ 766</u>                | <u>\$ 20,657</u> |

(8) Retirement Systems

Eligible employees of the School Board participate in one of several cost sharing multiple-employer public retirement systems (PERS) which are controlled and administered by a separate board of trustees. The employer pension schedules for both systems are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period

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in which the employee is compensated for services performed. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources, and pension expense, information about the fiduciary net position of the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Each system issues a public report that includes financial statements and required supplementary information. Copies of these reports may be obtained at [www.lasers.net](http://www.lasers.net) and [www.trsl.org](http://www.trsl.org).

General Information About the Pension Plans

Plan Description/Benefits Provided

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

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

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

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service who has withdrawn from active service prior to the age at which that person is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death

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

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

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 20 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 years of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

Members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. 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.

In order for survivor benefits to be paid, the deceased member must have been an active member at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2.5% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. The minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60-day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three-year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.



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Cost of Living Adjustments

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

Pension Related Contributions, Liabilities, Expenses, and Deferred Items

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

Additional information about the School Board's contributions, liabilities, expenses and deferred items to each plan is provided in the tables below:

|                                      | <u>TRSL</u>  | <u>LSERS</u> |
|--------------------------------------|--------------|--------------|
| Employee contribution rate           | 8.0%         | 8.0%         |
| Employer contribution rate           | 25.8%        | 29.4%        |
| Net pension liability                | \$21,161,369 | \$2,300,297  |
| Pension expense                      | \$ 2,443,317 | \$ 450,886   |
| Non-employer contribution            | \$ 82,090    | \$ -         |
| Proportionate share                  | 0.19%        | 0.29%        |
| Change in proportion from prior year | 0.00%        | 0.05%        |

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|  | Deferred Outflows   |                   |                     | Deferred Inflows  |                  |                   |
|--|---------------------|-------------------|---------------------|-------------------|------------------|-------------------|
|  | TRSL                | LSERS             | Total               | TRSL              | LSERS            | Total             |
| Differences between expected and actual experiences  | \$ -                | \$ -              | \$ -                | \$ 339,687        | \$ 56,625        | \$ 396,312        |
| Changes of assumptions   | 1,258,892           | 13,708            | 1,272,600           | -                 | -                | -                 |
| Net difference between projected and actual earnings on pension plan investments                             | 1,633,532           | 350,240           | 1,983,772           | -                 | -                | -                 |
| Change in proportion and differences between employer contributions and proportionate share of contributions | 199,637             | 210,306           | 409,943             | 247,039           | -                | 247,039           |
| Employer contributions subsequent to the measurement date  | <u>2,353,742</u>    | <u>228,695</u>    | <u>2,582,437</u>    | <u>-</u>          | <u>-</u>         | <u>-</u>          |
| Total  | <u>\$ 5,445,803</u> | <u>\$ 802,949</u> | <u>\$ 6,248,752</u> | <u>\$ 586,726</u> | <u>\$ 56,625</u> | <u>\$ 643,351</u> |

Non-employer contributions are recognized as revenue and were used as employer contributions. Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the subsequent year.

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 Ending<br>June 30, | TRSL       | LSERS      | TOTAL        |
|-------------------------|------------|------------|--------------|
| 2022                    | \$ 275,447 | \$ 134,702 | \$ 410,149   |
| 2023                    | \$ 942,868 | \$ 196,498 | \$ 1,139,366 |
| 2024                    | \$ 635,370 | \$ 106,340 | \$ 741,710   |
| 2025                    | \$ 651,650 | \$ 80,089  | \$ 731,739   |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

Actuarial Assumptions

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

|                                  | TRSL   | LSERS   |
|----------------------------------|--|---|
| Valuation date                   | June 30, 2020  | June 30, 2020   |
| Measurement date                 | June 30, 2020  | June 30, 2020   |
| Actuarial Cost Method            | Entry Age Normal   | Entry Age Normal  |
| Amortization approach            | Closed   | Closed  |
| Expected Remaining Service Lives | 5 years  | 3 years   |
| Investment Rate of Return        | 7.45%, net   | 7.0%, net   |
| Inflation Rate                   | 2.3% per annum   | 2.5% per annum  |
| Salary Increases                 | 3.1% - 4.6%  | 3.25%   |
| Cost of Living Adjustments       | None   | None  |
| Mortality rates                  | RP-2014 White Collar Tables<br>RP-2014 Disability Tables | RP-2014 Sex Distinct Tables<br>RP-2014 Healthy Annuitant Tables |
| Termination and disability       | 2012-2017 experience study                               | 2013-2017 experience study                                      |

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

| <u>Asset Class</u>                 | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|------------------------------------|--------------------------|---|
| Fixed Income                       | 26.0%                    | 0.92%   |
| Equity                             | 39.0%                    | 2.82%   |
| Alternatives                       | 23.0%                    | 1.95%   |
| Real estate                        | <u>12.0%</u>             | <u>0.69%</u>                                  |
| Total                              | <u>100.0%</u>            | 6.38%   |
| Inflation                          |                          | <u>2.00%</u>                                  |
| Expected arithmetic nominal return |                          | <u>8.38%</u>                                  |

For TRSL, the long-term expected rate of return was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of real rates of return for each major asset class are summarized for each plan in the following table:

| <u>Asset Class</u>         | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------|--------------------------|---|
| Domestic equity            | 27.0%                    | 4.60%   |
| International equity       | 19.0%                    | 5.54%   |
| Domestic fixed income      | 13.0%                    | 0.69%   |
| International fixed income | 5.5%                     | 1.50%   |
| Private equity             | 25.5%                    | 8.62%   |
| Other private assets       | 10.0%                    | 4.45%   |

Discount Rate

The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current 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 proportionate share of the NPL to changes in the discount rate. The following presents the School Board's proportionate share of the NPL for LSERS and TRSL using the current discount rate as well as what the School Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

|       | <u>Discount Rate</u> | <u>Change from Prior Year</u> | <u>1.0% Decrease</u> | <u>Current Discount Rate</u> | <u>1.0% Increase</u> |
|-------|----------------------|-------------------------------|----------------------|------------------------------|----------------------|
| TRSL  | 7.45%                | -0.10%                        | \$ 27,624,380        | \$ 21,161,369                | \$ 15,720,772        |
| LSERS | 7.00%                | 0.00%                         | \$ 4,441,600         | \$ 2,300,297                 | \$ 2,492,312         |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

(9) Post-Retirement Health Care and Life Insurance Benefits

*Plan description* – The School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

*Benefits Provided* – Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and this plan has been deemed to be a single employer defined benefit OPEB plan (within the meaning of GASB 74/75) for financial reporting purposes and for this valuation. Most of the employees are covered by the Teachers' Retirement System of Louisiana. The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees hired on or after January 1, 2011 must have attained at least age 60 at retirement (or D.R.O.P. entry) to avoid actuarial reduction in the retirement benefit.

The School Board typically contributes approximately 75% of the cost for medical benefits and the retiree is responsible for the remaining portion. Life insurance coverage under the OGB program is available to retirees by election and the employer pays 50% of the cost of the retiree life insurance based on the plan's blended rates. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

*Employees covered by benefit terms* – The following employees were covered by the benefit terms:

|  |     |
|--|-----|
| Inactive employees or beneficiaries currently receiving benefit payments | 162 |
| Inactive employees entitles to but not yet receiving benefit payments    | -   |
| Active employees   | 168 |
|  | 330 |

**Total OPEB Liability**

The School Board’s total OPEB liability of \$22,667,607 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

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

|                  |   |
|------------------|---|
| Valuation date   | June 30, 2021                           |
| Measurement date | June 30, 2021                           |
| Actuarial method | Individual Entry Age Normal Cost Method |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

|                             |   |
|-----------------------------|---|
| Service cost                | Actuarial Present Value of Benefits allocated to the valuation year |
| Discount rate               | 2.16%   |
| Inflation                   | 2.5%  |
| Salary increases            | 3.0%  |
| Healthcare cost trend rates | 5.5%  |

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

Mortality rates were based on the SOA RP-2014 Table.

**Changes in the Total OPEB Liability**

|   |                      |
|---|----------------------|
| Balance, beginning of year                        | <u>\$ 22,242,941</u> |
| Changes for the year:                             |                      |
| Service cost                                      | 406,781              |
| Interest  | 481,107              |
| Difference between expected and actual experience | 312,750              |
| Changes in assumption                             | 170,859              |
| Benefit payments and net transfers                | <u>(946,831)</u>     |
| Net changes                                       | <u>424,666</u>       |
| Balance, end of year                              | <u>\$ 22,667,607</u> |

The School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected and actual experiences                 | \$ 1,845,563                              | \$ 10,454                                |
| Changes of assumptions  | 2,756,090                                 | 349,225                                  |
| Net difference between projected and actual earnings on investments | <u>-</u>                                  | <u>-</u>                                 |
| Total   | <u>\$ 4,601,653</u>                       | <u>\$ 359,679</u>                        |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

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

| <u>Year Ending<br/>June 30,</u> |              |
|---------------------------------|--------------|
| 2022                            | \$ 1,474,838 |
| 2023                            | \$ 1,474,838 |
| 2024                            | \$ 413,757   |
| 2025                            | \$ 292,847   |
| 2026                            | \$ 292,847   |
| Thereafter                      | \$ 292,847   |

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

|                      | <u>1.0% Decrease</u> | <u>Current Trend<br/>2.21%</u> | <u>1.0% Increase</u> |
|----------------------|----------------------|--------------------------------|----------------------|
| Total OPEB Liability | <u>\$27,395,011</u>  | <u>\$ 22,667,607</u>           | <u>\$19,018,660</u>  |

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

|                      | <u>1.0% Decrease</u> | <u>Current Trend<br/>5.50%</u> | <u>1.0% Increase</u> |
|----------------------|----------------------|--------------------------------|----------------------|
| Total OPEB Liability | <u>\$ 19,477,661</u> | <u>\$ 22,667,607</u>           | <u>\$26,837,890</u>  |

The School Board recognized OPEB expense of \$2,362,726.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

(10) Receivables

Receivables for the School Board's governmental activities are as follows:

|                            | General<br>Fund | Operations<br>and<br>Maintenance | Nonmajor<br>Governmental | Total           |
|----------------------------|-----------------|----------------------------------|--------------------------|-----------------|
| Sales tax                  | \$ 173,978      | \$ 173,978                       | \$ -                     | \$ 347,956      |
| Due from other governments | 194,371         | -                                | -                        | 194,371         |
| Other grants               | 1,377           | -                                | 1,618,271                | 1,619,648       |
| <br>Total                  | <br>\$ 369,726  | <br>\$ 173,978                   | <br>\$ 1,618,271         | <br>\$2,161,975 |

(11) Detailed Restricted Net Position

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

Facility improvements:

Dedicated to improvements of the school board represents unspent bond proceeds payable from 3.34 mills property tax \$ 10,981

Student activities:

Dedicated for use in the classrooms, clubs, and other extracurricular activities at the school level 228,906

External legal constraints:

Dedicated sales taxes authorized one percent to payment of teachers' salaries 1,965,095

Total \$2,204,982



EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

(12) Litigation, Claims, and Contingencies

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

The School Board participates in a number of federally assisted grant programs. These programs are audited in accordance with Uniform Guidance, "Audits of State and Local Governments and Non-Profit Organizations." Additionally, these programs are subject to state and federal monitoring examinations which could result in disallowed costs having to be returned to the granting agency. Management believes that further examinations would not result in material disallowed costs.

(13) State Required Disclosure – Tax Collections Remitted to Other Taxing Authorities

Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:513 B to provide required note disclosure in the financial statements of local governments that collect tax for other taxing jurisdictions. For the year ended June 30, 2021, the School Board withheld \$48,000 for administrative fees. This resulted in a distribution of \$6,075,129 of sales tax collections to the Police Jury during the year ended June 30, 2021.

(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. All of these risks are handled by purchasing commercial insurance coverage. The School Board has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years.

(15) Section 457 Plan

Certain employees of East Feliciana Parish School Board 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.

(16) Economic Dependency

The Minimum Foundation funding provided by the state to all public school systems is primarily based on October 1 student count. The state provided approximately 41% of the School Board's revenue through this program during the year.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

(17) Tax Abatements

The School Board is subject to tax abatements granted by the Louisiana Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. State-granted abatements have resulted in reductions of property taxes, which the Parish administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be up to 100 percent. Property with an assessed value of \$16,533,280 qualified for tax abatement with an estimated tax loss to the School Board of \$336,287.

(18) On-Behalf Payments

The accompanying financial statements include on-behalf payments made by the Parish Tax Collector for \$93,481 to the Teacher’s Retirement System of Louisiana for employee retirement benefits.

(19) Appropriations to Charter Schools

Appropriations to Type 1 and Type 2 Charter Schools during the year were as follows:

|                                    | <u>General Fund</u> |
|------------------------------------|---------------------|
| Type 1 Charter Schools             |                     |
| Slaughter Community Charter School | <u>\$ 3,359,097</u> |
| Type 2 Charter Schools             |                     |
| Madison Prep                       | 4,392               |
| Louisiana Key Academy              | 35,136              |
| Advantage Charter Academy          | 48,312              |
| GEO Prep Academy                   | 2,196               |
| Louisiana Virtual Charter Academy  | 27,670              |
| University View Academy            | <u>132,419</u>      |
| Total Type 2 Charter Schools       | <u>250,125</u>      |
| Total Charter Schools              | <u>\$ 3,609,222</u> |

(20) New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Basic Financial Statements

contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after December 15, 2019. In April of 2020, GASB extended the implement date of this Statement by one year. The effect of implementation on the School Board's financial statements has not yet been determined.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of local governments. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. Additionally, this Statement resulted in some activities, previously reported as fiduciary activities, to be reclassified as special revenue funds. The School Board adopted this standard during the year which had the following effect on beginning balances:

|  | Governmental<br>Activities | Custodial<br>Funds | Nonmajor<br>Governmental<br>Funds |
|--|----------------------------|--------------------|-----------------------------------|
| July 1, 2020 net position, as reported | \$ (27,047,496)            | \$ -               | \$ 48,058                         |
| Prior period adjustment:               |                            |                    |                                   |
| Change in accounting principle:        |                            |                    |                                   |
| Change in taxes paid under protest     | -                          | 299,804            | -                                 |
| Change in amounts held for schools     | 208,590                    | -                  | 208,590                           |
| Change in due to other governments     | -                          | 995,381            | -                                 |
| Change in accounts payable             | -                          | (995,381)          | -                                 |
| July 1, 2020 net position, as restated | \$ (26,838,906)            | \$ 299,804         | \$ 256,648                        |

**OTHER REQUIRED  
SUPPLEMENTARY INFORMATION**

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

General Fund  
Budgetary Comparison Schedule  
For the year ended June 30, 2021

|                                      | Budget             |                    | Actual             | Variance               |
|--------------------------------------|--------------------|--------------------|--------------------|------------------------|
|                                      | Original           | Final              |                    | Positive<br>(Negative) |
| Revenues                             |                    |                    |                    |                        |
| Local sources:                       |                    |                    |                    |                        |
| Ad valorem taxes                     | \$ 3,715,000       | \$ 3,765,000       | \$ 3,895,581       | \$ 130,581             |
| Sales taxes                          | 1,850,000          | 1,970,000          | 2,039,364          | 69,364                 |
| Earnings on investments              | 6,500              | 2,500              | 71                 | (2,429)                |
| Other                                | 507,750            | 417,000            | 175,156            | (241,844)              |
| State sources:                       |                    |                    |                    |                        |
| MFP                                  | 10,510,000         | 9,935,000          | 10,137,709         | 202,709                |
| Revenue sharing                      | 75,000             | 60,000             | 46,092             | (13,908)               |
| Other                                | 39,500             | 49,550             | 39,006             | (10,544)               |
| Total revenues                       | <u>16,703,750</u>  | <u>16,199,050</u>  | <u>16,332,979</u>  | <u>133,929</u>         |
| Expenditures                         |                    |                    |                    |                        |
| Current:                             |                    |                    |                    |                        |
| Instruction -                        |                    |                    |                    |                        |
| Regular programs                     | 6,699,400          | 7,110,800          | 7,307,376          | (196,576)              |
| Special education programs           | 733,700            | 771,100            | 596,443            | 174,657                |
| Vocational education programs        | 143,941            | 126,291            | 135,272            | (8,981)                |
| Other instructional programs         | 379,250            | 382,450            | 398,489            | (16,039)               |
| Support services -                   |                    |                    |                    |                        |
| Pupil support services               | 469,749            | 443,749            | 458,957            | (15,208)               |
| Instructional staff support services | 990,520            | 1,186,420          | 897,519            | 288,901                |
| General administration               | 850,040            | 706,800            | 731,695            | (24,895)               |
| School administration                | 1,141,700          | 991,700            | 946,407            | 45,293                 |
| Business services                    | 466,160            | 448,660            | 460,075            | (11,415)               |
| Plant services                       | 1,569,260          | 1,238,360          | 1,388,328          | (149,968)              |
| Student transportation services      | 1,236,922          | 1,110,722          | 1,244,202          | (133,480)              |
| Central services                     | 146,200            | 68,900             | 73,232             | (4,332)                |
| Food services                        | 41,764             | 48,774             | 59,669             | (10,895)               |
| Appropriation to charter school      | 3,180,174          | 3,280,745          | 3,609,222          | (328,477)              |
| Debt service                         | 402,000            | 392,000            | 406,675            | (14,675)               |
| Total expenditures                   | <u>18,450,780</u>  | <u>18,307,471</u>  | <u>18,713,561</u>  | <u>(406,090)</u>       |
| Excess of revenues over expenditures | <u>(1,747,030)</u> | <u>(2,108,421)</u> | <u>(2,380,582)</u> | <u>(272,161)</u>       |
| Other financing sources (uses):      |                    |                    |                    |                        |
| Transfers in                         | 1,901,010          | 2,199,052          | 2,473,956          | 274,904                |
| Transfers out                        | -                  | -                  | (70,000)           | (70,000)               |
| Total other financing sources (uses) | <u>1,901,010</u>   | <u>2,199,052</u>   | <u>2,403,956</u>   | <u>204,904</u>         |
| Net change in fund balance           | 153,980            | 90,631             | 23,374             | (67,257)               |
| Fund balances, beginning             | 761,422            | 761,422            | 761,422            | 761,422                |
| Fund balances, ending                | <u>\$ 915,402</u>  | <u>\$ 852,053</u>  | <u>\$ 784,796</u>  | <u>\$ 694,165</u>      |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Operation and Maintenance Fund  
Budgetary Comparison Schedule  
For the year ended June 30, 2021

|                                      | Budget             |                    | Actual             | Variance               |
|--------------------------------------|--------------------|--------------------|--------------------|------------------------|
|                                      | Original           | Final              |                    | Positive<br>(Negative) |
| Revenues                             |                    |                    |                    |                        |
| Local sources:                       |                    |                    |                    |                        |
| Sales taxes                          | \$ 1,850,000       | \$ 1,970,000       | \$ 2,039,364       | \$ 69,364              |
| Earnings on investments              | <u>2,500</u>       | <u>5,000</u>       | <u>42</u>          | <u>(4,958)</u>         |
| Total revenues                       | <u>1,852,500</u>   | <u>1,975,000</u>   | <u>2,039,406</u>   | <u>64,406</u>          |
| Expenditures                         |                    |                    |                    |                        |
| Current:                             |                    |                    |                    |                        |
| Instruction -                        |                    |                    |                    |                        |
| Regular programs                     | -                  | -                  | 19                 | (19)                   |
| Support services -                   |                    |                    |                    |                        |
| Plant services                       | 75,000             | 55,000             | 56,894             | (1,894)                |
| Capital outlay                       | <u>-</u>           | <u>65,000</u>      | <u>66,226</u>      | <u>(1,226)</u>         |
| Total expenditures                   | <u>75,000</u>      | <u>120,000</u>     | <u>123,139</u>     | <u>(3,139)</u>         |
| Excess of revenues over expenditures | 1,777,500          | 1,855,000          | 1,916,267          | 61,267                 |
| Other financing sources (uses):      |                    |                    |                    |                        |
| Transfers out                        | <u>(1,758,500)</u> | <u>(1,855,000)</u> | <u>(1,951,267)</u> | <u>(96,267)</u>        |
| Net change in fund balance           | 19,000             | -                  | (35,000)           | (35,000)               |
| Fund balances, beginning             | <u>657,011</u>     | <u>657,011</u>     | <u>657,011</u>     | <u>761,422</u>         |
| Fund balances, ending                | <u>\$ 676,011</u>  | <u>\$ 657,011</u>  | <u>\$ 622,011</u>  | <u>\$ 726,422</u>      |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios  
For the year ended June 30, 2021

|   | <u>2018</u>              | <u>2019</u>              | <u>2020</u>              | <u>2021</u>              |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Total OPEB Liability*</b>  |                          |                          |                          |                          |
| Service cost  | \$ 458,410               | \$ 396,713               | \$ 374,371               | \$ 406,781               |
| Interest  | 564,182                  | 589,481                  | 612,315                  | 481,107                  |
| Changes of benefit terms  | -                        | -                        | -                        | -                        |
| Differences between expected<br>and actual experience                 | 265,964                  | 2,177,130                | (20,910)                 | 312,750                  |
| Changes of assumptions  | (582,041)                | 742,970                  | 4,265,264                | 170,859                  |
| Benefit payments  | <u>(973,664)</u>         | <u>(962,488)</u>         | <u>(965,616)</u>         | <u>(946,831)</u>         |
| <b>Net change in total OPEB liability</b>                             | (267,149)                | 2,943,806                | 4,265,424                | 424,666                  |
| <br><b>Total OPEB liability - beginning</b>                           | <br><u>15,300,860</u>    | <br><u>15,033,711</u>    | <br><u>17,977,517</u>    | <br><u>22,242,941</u>    |
| <br><b>Total OPEB liability - ending</b>                              | <br><u>\$ 15,033,711</u> | <br><u>\$ 17,977,517</u> | <br><u>\$ 22,242,941</u> | <br><u>\$ 22,667,607</u> |
| <br>Covered-employee payroll  | <br><u>\$ 8,534,409</u>  | <br><u>\$ 8,790,441</u>  | <br><u>\$ 6,692,132</u>  | <br><u>\$ 6,959,817</u>  |
| <br>Net OPEB liability as a percentage of<br>covered-employee payroll | <br>176.15%              | <br>204.51%              | <br>332.37%              | <br>325.69%              |

\* Equal to Net OPEB Liability

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Employer's Share of Net Pension Liability  
For the year ended June 30, 2021

| *<br>Year<br>ended<br>June 30,                               | Employer<br>Proportion<br>of the<br>Net Pension<br>Liability<br>(Asset) | Employer<br>Proportionate<br>Share of the<br>Net Pension<br>Liability<br>(Asset) | Employer's<br>Covered<br>Payroll | Employer's<br>Proportionate Share<br>of the Net Pension<br>Liability (Asset) as a<br>Percentage of its<br>Covered<br>Payroll | Plan Fiduciary<br>Net Position<br>as a Percentage<br>of the Total<br>Pension Liability |
|--|---|--|----------------------------------|--|--|
| <b>Teachers' Retirement System of Louisiana (TRSL)</b>       |   |  |                                  |  |  |
| 2021   | 0.19%   | \$ 21,161,369  | \$ 9,135,962                     | 232%   | 65.60%   |
| 2020   | 0.19%   | \$ 18,834,107  | \$ 8,695,581                     | 217%   | 68.60%   |
| 2019   | 0.20%   | \$ 19,690,340  | \$ 7,688,813                     | 256%   | 68.20%   |
| 2018   | 0.18%   | \$ 18,391,458  | \$ 7,929,508                     | 232%   | 65.60%   |
| 2017   | 0.19%   | \$ 21,807,087  | \$ 7,988,631                     | 273%   | 59.90%   |
| 2016   | 0.17%   | \$ 18,698,318  | \$ 7,689,440                     | 243%   | 62.50%   |
| 2015   | 0.21%   | \$ 21,024,672  | \$ 8,999,354                     | 234%   | 63.70%   |
| <b>Louisiana School Employees' Retirement System (LSERS)</b> |   |  |                                  |  |  |
| 2021   | 0.29%   | \$ 2,300,297   | \$ 839,633                       | 274%   | 69.67%   |
| 2020   | 0.24%   | \$ 1,687,702   | \$ 772,296                       | 219%   | 73.49%   |
| 2019   | 0.24%   | \$ 1,585,163   | \$ 558,407                       | 284%   | 74.44%   |
| 2018   | 0.23%   | \$ 1,477,804   | \$ 672,267                       | 220%   | 75.03%   |
| 2017   | 0.25%   | \$ 1,865,456   | \$ 758,745                       | 246%   | 70.09%   |
| 2016   | 0.28%   | \$ 1,794,028   | \$ 735,381                       | 244%   | 74.49%   |
| 2015   | 0.30%   | \$ 1,739,552   | \$ 818,965                       | 212%   | 76.18%   |

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

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



EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Employer Retirement Contributions  
For the year ended June 30, 2021

| <u>Year ended<br/>June 30,</u>                        | <u>Contractually<br/>Required<br/>Contribution</u> | <u>Contributions in<br/>Relation to<br/>Contractual<br/>Required<br/>Contribution</u> | <u>Contribution<br/>Deficiency<br/>(Excess)</u> | <u>Employer's<br/>Covered<br/>Payroll</u> | <u>Contributions<br/>as a % of<br/>Covered<br/>Payroll</u> |
|---|--|---|---|---|--|
| Teachers' Retirement System of Louisiana (TRSL)       |  |   |   |   |  |
| 2021  | \$2,209,039  | \$2,209,039   | -   | \$ 8,496,303                              | 26.0%  |
| 2020  | \$2,375,142  | \$2,375,142   | -   | \$ 9,135,162                              | 26.0%  |
| 2019  | \$2,321,720  | \$2,321,720   | -   | \$ 8,695,581                              | 26.7%  |
| 2018  | \$1,967,106  | \$1,967,106   | -   | \$ 7,688,813                              | 25.6%  |
| 2017  | \$2,026,792  | \$2,026,792   | -   | \$ 7,929,508                              | 25.6%  |
| 2016  | \$2,101,010  | \$2,101,010   | -   | \$ 7,988,631                              | 26.3%  |
| 2015  | \$2,471,094  | \$2,471,094   | -   | \$ 7,689,440                              | 32.1%  |
| Louisiana School Employees' Retirement System (LSERS) |  |   |   |   |  |
| 2021  | \$ 228,695   | \$ 228,695  | -   | \$ 777,874                                | 29.4%  |
| 2020  | \$ 246,852   | \$ 246,852  | -   | \$ 839,633                                | 29.4%  |
| 2019  | \$ 216,243   | \$ 216,243  | -   | \$ 772,296                                | 28.0%  |
| 2018  | \$ 174,279   | \$ 174,279  | -   | \$ 558,407                                | 31.2%  |
| 2017  | \$ 212,124   | \$ 212,124  | -   | \$ 672,267                                | 31.6%  |
| 2016  | \$ 229,141   | \$ 229,141  | -   | \$ 758,745                                | 30.2%  |
| 2015  | \$ 322,763   | \$ 322,763  | -   | \$ 735,381                                | 43.9%  |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Required Supplementary Information

(1) Retirement Systems

A. Teachers' Retirement System of Louisiana

Changes of assumptions –

| *<br>Year Ended<br>June 30, | Discount<br>Rate | Investment<br>Rate of<br>Return | Inflation<br>Rate | Expected<br>Remaining<br>Service<br>Lives | Projected<br>Salary Increase |                |
|-----------------------------|------------------|---------------------------------|-------------------|---|------------------------------|----------------|
|                             |                  |                                 |                   |   | Lower<br>Range               | Upper<br>Range |
| 2015                        | 7.75%            | 7.75%                           | 2.50%             | 5   | 3.50%                        | 10.00%         |
| 2016                        | 7.75%            | 7.75%                           | 2.50%             | 5   | 3.50%                        | 10.00%         |
| 2017                        | 7.75%            | 7.75%                           | 2.50%             | 5   | 3.50%                        | 10.00%         |
| 2018                        | 7.70%            | 7.70%                           | 2.50%             | 5   | 3.50%                        | 10.00%         |
| 2019                        | 7.65%            | 7.65%                           | 2.50%             | 5   | 3.50%                        | 4.80%          |
| 2020                        | 7.55%            | 7.55%                           | 2.50%             | 5   | 3.30%                        | 4.80%          |
| 2021                        | 7.45%            | 7.45%                           | 2.30%             | 5   | 3.10%                        | 4.60%          |

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

B. Louisiana School Employees' Retirement System

Changes of assumptions –

| *<br>Year Ended<br>June 30, | Discount<br>Rate | Investment<br>Rate of<br>Return | Inflation<br>Rate | Expected<br>Remaining<br>Service<br>Lives | Projected<br>Salary Increase |  |
|-----------------------------|------------------|---------------------------------|-------------------|---|------------------------------|--|
|                             |                  |                                 |                   |   | Projected<br>Salary Increase |  |
| 2015                        | 7.25%            | 7.25%                           | 2.75%             | 3   | 2.75%                        |  |
| 2016                        | 7.00%            | 7.00%                           | 2.75%             | 3   | 2.50% - 2.75%                |  |
| 2017                        | 7.125%           | 7.125%                          | 2.625%            | 3   | 3.075% - 5.375%              |  |
| 2018                        | 7.125%           | 7.125%                          | 2.625%            | 3   | 3.075% - 5.375%              |  |
| 2019                        | 7.0625%          | 7.0625%                         | 2.50%             | 3   | 3.25%                        |  |
| 2020                        | 7.00%            | 7.00%                           | 2.50%             | 3   | 3.25%                        |  |
| 2021                        | 7.00%            | 7.00%                           | 2.50%             | 3   | 3.25%                        |  |

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Required Supplementary Information

(2) Other Post-Employment Benefits

Changes of assumptions -

| Year Ended | Discount | Medical<br>Trend | Mortality |
|------------|----------|------------------|-----------|
| June 30,   | Rate     | Rate             |           |
| 2018       | 3.87%    | 5.50%            | RP-2000   |
| 2019       | 3.50%    | 5.50%            | RP-2000   |
| 2020       | 2.21%    | Variable         | RP-2014   |
| 2021       | 2.16%    | Variable         | RP-2014   |

No assets are accumulated in a trust that meets the criteria in GASB 75 to pay related benefits.

(3) Budget Practices

In May, the Superintendent submits to the School Board the proposed annual budget for the fiscal year beginning July 1<sup>st</sup>. The proposed budget is made available for public inspection and comments by taxpayers prior to September 15<sup>th</sup>. The School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopt a balanced budget, whereby total budgeted revenues and other financial sources, including fund balance, must equal or exceed total budgeted expenditures and other financing uses.

The budget is prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

The level of control over the budget is exercised at the function or program. The Superintendent and/or assistant superintendents are authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

**OTHER SUPPLEMENTARY INFORMATION**

## NONMAJOR GOVERNMENTAL FUNDS

### **Title II**

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

### **Title I**

Title I is a program designed to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas with 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.

### **Individuals with Disabilities Education Act (IDEA) Funds**

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

### **TANF**

This Special Revenue Fund accounts for those expenditures related to providing assistance to needy families with children which are funded from the TANF federal grant program.

### **Other Federal Funds**

Accounts for various receipts and expenditures of other federal program funds.

### **State Grants**

This Special Revenue Fund accounts for the various State awards including 8(G), Lincs, Millennium Trust Fund and other awards.

### **Teacher Incentive Fund**

These funds account for federal and state sources to assist school personnel in adopting and organizing evidence-based behavioral interventions into an integrated continuum that enhances academic and social behavior outcomes for all students.

### **School Food Service**

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

### **School Activity Fund**

The School Activity Fund accounts for the collection and disbursement of school level funds used in the classrooms, clubs, and other extracurricular activities.

### **Capital Projects**

The Capital Projects Fund related to the expenditure of QZAB bond proceeds for various upgrades made to school facilities, most notably temperature controls systems and wastewater systems.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2021

|                                     | Special<br>Revenue | Capital<br>Projects | Total       |
|-------------------------------------|--------------------|---------------------|-------------|
| ASSETS                              |                    |                     |             |
| Cash and cash equivalents           | \$1,017,095        | \$ 13,639           | \$1,030,734 |
| Due from other governments          | 1,618,271          | -                   | 1,618,271   |
| Due from other funds                | 138,504            | 73,936              | 212,440     |
| Inventory                           | 42,150             | -                   | 42,150      |
| Total assets                        | \$2,816,020        | \$ 87,575           | \$2,903,595 |
| LIABILITIES AND FUND BALANCES       |                    |                     |             |
| Liabilities:                        |                    |                     |             |
| Due to other funds                  | \$2,586,575        | \$ 76,594           | \$2,663,169 |
| Fund balances:                      |                    |                     |             |
| Nonspendable - inventory            | 42,150             | -                   | 42,150      |
| Restricted for:                     |                    |                     |             |
| Facilities improvement              | -                  | 10,981              | 10,981      |
| Student activities                  | 228,906            | -                   | 228,906     |
| Unassigned                          | (41,611)           | -                   | (41,611)    |
| Total fund balances                 | 229,445            | 10,981              | 240,426     |
| Total liabilities and fund balances | \$2,816,020        | \$ 87,575           | \$2,903,595 |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the year ended June 30, 2021

|  | Special<br>Revenue | Capital<br>Projects | Totals     |
|--|--------------------|---------------------|------------|
| Revenues   |                    |                     |            |
| Local sources -                                      |                    |                     |            |
| Interest income                                      | \$ 31              | \$ -                | \$ 31      |
| Other  | 809,164            | -                   | 809,164    |
| State sources -                                      |                    |                     |            |
| MFP  | 18,856             | -                   | 18,856     |
| Other  | 427,679            | -                   | 427,679    |
| Federal sources                                      | 4,867,752          | -                   | 4,867,752  |
| Total revenues                                       | 6,123,482          | -                   | 6,123,482  |
| Expenditures   |                    |                     |            |
| Current:   |                    |                     |            |
| Instruction -  |                    |                     |            |
| Regular programs                                     | 400,300            | 36,585              | 436,885    |
| Special education programs                           | 156,695            | -                   | 156,695    |
| Vocational education programs                        | 29,864             | -                   | 29,864     |
| Other instructional programs                         | 1,857,001          | -                   | 1,857,001  |
| Support services -                                   |                    |                     |            |
| Pupil support services                               | 145,605            | -                   | 145,605    |
| Instructional staff support services                 | 2,171,342          | -                   | 2,171,342  |
| Plant services                                       | 47,396             | -                   | 47,396     |
| Food service operations                              | 842,227            | -                   | 842,227    |
| Total expenditures                                   | 5,650,430          | 36,585              | 5,687,015  |
| Excess (deficiency) of revenues<br>over expenditures | 473,052            | (36,585)            | 436,467    |
| Other financing sources (uses):                      |                    |                     |            |
| Transfers in   | 70,000             | -                   | 70,000     |
| Transfers out  | (522,689)          | -                   | (522,689)  |
| Total other financing sources (uses)                 | (452,689)          | -                   | (452,689)  |
| Net change in fund balances                          | 20,363             | (36,585)            | (16,222)   |
| Fund balances, beginning, as restated                | 209,082            | 47,566              | 256,648    |
| Fund balances, ending                                | \$ 229,445         | \$ 10,981           | \$ 240,426 |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2021

|                                      | Title II         | Title I           | IDEA             | TANF             |
|--------------------------------------|------------------|-------------------|------------------|------------------|
| <b>ASSETS</b>                        |                  |                   |                  |                  |
| Cash and cash equivalents            | \$ -             | \$ 71,542         | \$ 2,971         | \$ -             |
| Due from other governments           | 15,132           | 207,400           | 71,539           | 43,510           |
| Due from other funds                 | -                | 40,897            | -                | -                |
| Inventory                            | -                | -                 | -                | -                |
| Total assets                         | <u>\$ 15,132</u> | <u>\$ 319,839</u> | <u>\$ 74,510</u> | <u>\$ 43,510</u> |
| <b>LIABILITIES AND FUND BALANCES</b> |                  |                   |                  |                  |
| Liabilities:                         |                  |                   |                  |                  |
| Due to other funds                   | <u>\$ 15,132</u> | <u>\$ 319,839</u> | <u>\$ 74,510</u> | <u>\$ 43,510</u> |
| Fund balances:                       |                  |                   |                  |                  |
| Nonspendable - inventory             | -                | -                 | -                | -                |
| Restricted                           | -                | -                 | -                | -                |
| Unassigned                           | -                | -                 | -                | -                |
| Total fund balances                  | -                | -                 | -                | -                |
| Total liabilities and fund balances  | <u>\$ 15,132</u> | <u>\$ 319,839</u> | <u>\$ 74,510</u> | <u>\$ 43,510</u> |



| <u>Other<br/>Federal<br/>Grants</u> | <u>State<br/>Grants</u> | <u>Teacher<br/>Incentive<br/>Grant</u> | <u>School<br/>Food<br/>Service</u> | <u>School<br/>Activity<br/>Fund</u> | <u>Total</u>        |
|-------------------------------------|-------------------------|--|------------------------------------|-------------------------------------|---------------------|
| \$ 2,610                            | \$ 92,450               | \$ 235,985                             | \$ 382,631                         | \$ 228,906                          | \$ 1,017,095        |
| 1,047,905                           | 108,334                 | 82,927                                 | 41,524                             | -                                   | 1,618,271           |
| 21,321                              | -                       | -                                      | 76,286                             | -                                   | 138,504             |
| <u>-</u>                            | <u>-</u>                | <u>-</u>                               | <u>42,150</u>                      | <u>-</u>                            | <u>42,150</u>       |
| <u>\$ 1,071,836</u>                 | <u>\$ 200,784</u>       | <u>\$ 318,912</u>                      | <u>\$ 542,591</u>                  | <u>\$ 228,906</u>                   | <u>\$ 2,816,020</u> |
| <u>\$ 1,071,836</u>                 | <u>\$ 200,784</u>       | <u>\$ 318,912</u>                      | <u>\$ 542,052</u>                  | <u>\$ -</u>                         | <u>\$ 2,586,575</u> |
| -                                   | -                       | -                                      | 42,150                             | -                                   | 42,150              |
| -                                   | -                       | -                                      | -                                  | 228,906                             | 228,906             |
| -                                   | -                       | -                                      | (41,611)                           | -                                   | (41,611)            |
| <u>-</u>                            | <u>-</u>                | <u>-</u>                               | <u>539</u>                         | <u>228,906</u>                      | <u>229,445</u>      |
| <u>\$ 1,071,836</u>                 | <u>\$ 200,784</u>       | <u>\$ 318,912</u>                      | <u>\$ 542,591</u>                  | <u>\$ 228,906</u>                   | <u>\$ 2,816,020</u> |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2021

|  | <u>Title II</u> | <u>Title I</u>   | <u>IDEA</u>     | <u>TANF</u>    |
|--|-----------------|------------------|-----------------|----------------|
| Revenues   |                 |                  |                 |                |
| Local sources:                                       |                 |                  |                 |                |
| Interest   | \$ -            | \$ -             | \$ -            | \$ -           |
| Other  | -               | -                | -               | -              |
| State sources:                                       |                 |                  |                 |                |
| MFP  | -               | -                | -               | -              |
| Other  | -               | -                | -               | 208,390        |
| Federal sources                                      | <u>123,372</u>  | <u>1,117,163</u> | <u>524,771</u>  | <u>-</u>       |
| Total revenues                                       | <u>123,372</u>  | <u>1,117,163</u> | <u>524,771</u>  | <u>208,390</u> |
| Expenditures   |                 |                  |                 |                |
| Current:   |                 |                  |                 |                |
| Instruction -  |                 |                  |                 |                |
| Regular programs                                     | -               | 3,243            | 16,475          | -              |
| Special education programs                           | -               | -                | 155,764         | -              |
| Vocational education programs                        | -               | -                | -               | -              |
| Other instructional programs                         | 83,187          | 626,136          | 178             | 208,390        |
| Support services -                                   |                 |                  |                 |                |
| Pupil support services                               | -               | -                | 145,605         | -              |
| Instructional staff support services                 | 29,495          | 390,944          | 169,059         | -              |
| Plant services                                       | -               | -                | -               | -              |
| Food service operations                              | -               | -                | -               | -              |
| Total expenditures                                   | <u>112,682</u>  | <u>1,020,323</u> | <u>487,081</u>  | <u>208,390</u> |
| Excess (deficiency) of revenues<br>over expenditures | <u>10,690</u>   | <u>96,840</u>    | <u>37,690</u>   | <u>-</u>       |
| Other financing sources (uses)                       |                 |                  |                 |                |
| Transfers in   | -               | -                | -               | -              |
| Transfers out  | <u>(10,690)</u> | <u>(96,840)</u>  | <u>(37,690)</u> | <u>-</u>       |
| Total other financing sources                        | <u>(10,690)</u> | <u>(96,840)</u>  | <u>(37,690)</u> | <u>-</u>       |
| Net change in fund balances                          | -               | -                | -               | -              |
| Fund balances, beginning, as restated                | <u>-</u>        | <u>-</u>         | <u>-</u>        | <u>-</u>       |
| Fund balances, ending                                | <u>\$ -</u>     | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ -</u>    |

| <u>Other<br/>Federal<br/>Grants</u> | <u>State<br/>Grants</u> | <u>Teacher<br/>Incentive<br/>Grant</u> | <u>School<br/>Food<br/>Service</u> | <u>School<br/>Activity<br/>Fund</u> | <u>Total</u>      |
|-------------------------------------|-------------------------|--|------------------------------------|-------------------------------------|-------------------|
| \$ -                                | \$ -                    | \$ -                                   | \$ 31                              | \$ -                                | \$ 31             |
| -                                   | -                       | 571,459                                | 4,985                              | 232,720                             | 809,164           |
| -                                   | -                       | -                                      | 18,856                             | -                                   | 18,856            |
| 2,600                               | 216,689                 | -                                      | -                                  | -                                   | 427,679           |
| <u>2,348,873</u>                    | <u>-</u>                | <u>-</u>                               | <u>753,573</u>                     | <u>-</u>                            | <u>4,867,752</u>  |
| <u>2,351,473</u>                    | <u>216,689</u>          | <u>571,459</u>                         | <u>777,445</u>                     | <u>232,720</u>                      | <u>6,123,482</u>  |
| 217,644                             | 162,938                 | -                                      | -                                  | -                                   | 400,300           |
| -                                   | 931                     | -                                      | -                                  | -                                   | 156,695           |
| 29,864                              | -                       | -                                      | -                                  | -                                   | 29,864            |
| 726,706                             | -                       | -                                      | -                                  | 212,404                             | 1,857,001         |
| -                                   | -                       | -                                      | -                                  | -                                   | 145,605           |
| 952,394                             | 52,820                  | 571,459                                | 5,171                              | -                                   | 2,171,342         |
| 47,396                              | -                       | -                                      | -                                  | -                                   | 47,396            |
| -                                   | -                       | -                                      | 842,227                            | -                                   | 842,227           |
| <u>1,974,004</u>                    | <u>216,689</u>          | <u>571,459</u>                         | <u>847,398</u>                     | <u>212,404</u>                      | <u>5,650,430</u>  |
| <u>377,469</u>                      | <u>-</u>                | <u>-</u>                               | <u>(69,953)</u>                    | <u>20,316</u>                       | <u>473,052</u>    |
| -                                   | -                       | -                                      | 70,000                             | -                                   | 70,000            |
| <u>(377,469)</u>                    | <u>-</u>                | <u>-</u>                               | <u>-</u>                           | <u>-</u>                            | <u>(522,689)</u>  |
| <u>(377,469)</u>                    | <u>-</u>                | <u>-</u>                               | <u>70,000</u>                      | <u>-</u>                            | <u>(452,689)</u>  |
| -                                   | -                       | -                                      | 47                                 | 20,316                              | 20,363            |
| -                                   | -                       | -                                      | 492                                | 208,590                             | 209,082           |
| <u>\$ -</u>                         | <u>\$ -</u>             | <u>\$ -</u>                            | <u>\$ 539</u>                      | <u>\$ 228,906</u>                   | <u>\$ 229,445</u> |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Compensation, Benefits, and  
Other Payments to Agency Head  
For the Year Ended June 30, 2021

| <u>Purpose</u>             | <u>Keisha Netterville<br/>Superintendent<br/>Amount</u> |
|----------------------------|---|
| Salary                     | \$ 131,560  |
| Special pay                | \$ 4,797  |
| Benefits- retirement       | \$ 36,728   |
| Reimbursement for supplies | \$ 2,426  |
| Car allowance              | \$ 6,000  |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Compensation Paid to Board Members  
For the Year Ended June 30, 2021

|                   |                 |
|-------------------|-----------------|
| Richard Terrell   | \$ 7,200        |
| Mitchell Harrell  | 6,450           |
| Derald Spears     | 6,350           |
| Emily Hurst       | 6,600           |
| Paul Kent         | 6,400           |
| Rufus Nesbit      | 6,550           |
| Melvin Hollins    | 6,500           |
| Joyce Kent        | 6,600           |
| J.D. Dantzler     | 6,600           |
| Michael Bradford  | 6,550           |
| Lillian Drake     | 6,550           |
| Edward Brooks, Jr | <u>6,150</u>    |
|                   | <u>\$78,500</u> |

**INTERNAL CONTROL,  
COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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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 FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Mrs. Keisha Netterville, Superintendent,  
and Members of the East Feliciana Parish School Board  
Clinton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish School Board, (the School Board) as of and for the year ended June 30, 2021, 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 9, 2021.

### Internal Control over Financial Reporting

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
December 9, 2021



# KOLDER, SLAVEN & COMPANY, LLC

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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

Mrs. Keisha Netterville, Superintendent,  
and Members of the East Feliciana Parish School Board  
Clinton, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited East Feliciana Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2021. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller general of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and 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, 2021.

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

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
December 9, 2021

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

| Federal Grantor/Pass-Through Grantor<br>Program or Cluster Title                              | Assistance<br>Listing<br>Number | Pass-through<br>Identifying<br>Number | Federal<br>Expenditures | Amounts<br>Passed<br>Through to<br>Subrecipients |
|---|---------------------------------|---------------------------------------|-------------------------|--|
| <b><u>United States Department of Agriculture-</u></b>  |                                 |                                       |                         |  |
| <b><u>Child Nutrition Cluster</u></b>   |                                 |                                       |                         |  |
| Passed through Louisiana Department of Education-<br>Summer Food Service Program for Children | 10.559                          | N/A                                   | \$ 705,609              | -  |
| Passed through Louisiana Department of<br>Agriculture and Forestry-<br>Food Distribution      | 10.559                          | N/A                                   | <u>47,964</u>           | -  |
| Total Assistance Listing Number 10.559  |                                 |                                       | <u>753,573</u>          | -  |
| Total Child Nutrition Cluster   |                                 |                                       | <u>753,573</u>          | -  |
| Total United States Department of Agriculture   |                                 |                                       | <u>753,573</u>          | -  |
| <b><u>United States Department of Education-</u></b>  |                                 |                                       |                         |  |
| Passed through Louisiana Department of Education -  |                                 |                                       |                         |  |
| Striving Readers Comprehensive Literacy Program   | 84.371                          | N/A                                   | 10,949                  | -  |
| Title I Grants to Local Educational Agencies  | 84.010                          | 10-T1-19                              | 843,675                 |  |
| Title I Grants to Local Educational Agencies  | 84.010                          | 10-T1-SI                              | <u>273,488</u>          |  |
| Total Assistance Listing Number 84.010  |                                 |                                       | 1,117,163               | 27,302   |
| <b><u>Special Education Cluster</u></b>   |                                 |                                       |                         |  |
| Special Education Grants to States-IDEA Part B  | 84.027                          | 10-B1-19                              | 488,758                 |  |
| Special Education Grants to States-Opportunity Grant  | 84.027A                         | 28-15-OG-19                           | <u>19,475</u>           |  |
| Total Assistance Listing Number 84.027  |                                 |                                       | 508,233                 |  |
| Special Education-Preschool Grants  | 84.173                          | 10-P1-19                              | <u>16,538</u>           |  |
| Total for Special Education Cluster   |                                 |                                       | 524,771                 | -  |
| Vocational Education-Basic Grants to States   | 84.048                          | 10-02-19                              | 20,711                  | -  |
| 21st Century Learning Center CCLC   | 84.287C                         | 20-20-2C-19                           | 663,365                 | -  |
| Education Stabilization Fund - COVID 19   | 84.425D                         | 28-20-ESRF-19                         | 571,266                 |  |
| Education Stabilization Fund - COVID 19   | 84.425D                         | 28-21-ES2F-19                         | 441,254                 |  |
| Education Stabilization Fund - COVID 19   | 84.425U                         | 28-21-ESEB-19                         | 279,559                 |  |
| Education Stabilization Fund - COVID 19   | 84.425D                         | 28-20-ESRI-19                         | 107,768                 |  |
| Education Stabilization Fund - COVID 19   | 84.425C                         | 28-20-GERF-19                         | 198,964                 |  |
| Education Stabilization Fund - COVID 19   | 84.425                          | 28-21-REL2-19                         | <u>7,391</u>            |  |
| Total Assistance Listing Number 84.425  |                                 |                                       | 1,606,202               | -  |
| Rural Education Achievement Program   | 84.358                          | 28-11-RE-19                           | 32,093                  | -  |
| Improving Teacher Quality State Grants  | 84.367                          | 10-50-19                              | 123,372                 | -  |
| Education for Homeless Children and Youth   | 84.196A                         | 28-16-H1-19                           | <u>8,539</u>            | -  |
| Total United States Department of Education   |                                 |                                       | <u>4,107,165</u>        | <u>27,302</u>                                    |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Expenditures of Federal Awards (continued)  
Year Ended June 30, 2021

| Federal Grantor/Pass-Through Grantor<br>Program or Cluster Title | Assistance<br>Listing<br>Number | Pass-through<br>Identifying<br>Number | Federal<br>Expenditures | Amounts<br>Passed<br>Through to<br>Subrecipients |
|--|---------------------------------|---------------------------------------|-------------------------|--|
| <u>United States Department of Health and Human Services</u>     |                                 |                                       |                         |  |
| Passed through Louisiana Department of Education-                |                                 |                                       |                         |  |
| <u>CCDF Cluster</u>  |                                 |                                       |                         |  |
| Child Care and Development Block Grant                           | 93.575                          | <u>7,014</u>                          |                         |  |
| Total CCDF Cluster   |                                 |                                       | <u>7,014</u>            | <u>-</u>   |
| Total United States Department of Health<br>and Human Services   |                                 |                                       | <u>7,014</u>            | <u>-</u>   |
| TOTAL FEDERAL AWARDS   |                                 |                                       | <u>\$4,867,752</u>      | <u>\$ 27,302</u>                                 |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

(1) General

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

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements. 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.

(3) Noncash Programs

The commodities received, which are noncash revenues, are valued using pricing provided by the United States Department of Agriculture.

(4) Indirect Cost Rate

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

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2021

Part I. Summary of Auditor's Results:

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting

|                                      |           |          |                     |
|--------------------------------------|-----------|----------|---------------------|
| Material weakness(es) identified?    | _____ yes | _____ no |                     |
| Significant deficiencies identified? | _____ yes | _____ no | _____ none reported |

|   |           |          |          |
|---|-----------|----------|----------|
| Noncompliance material to financial statements noted? | _____ yes | _____ no |          |
|   |           | _____ X  | _____ no |

**Federal Awards**

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

Internal control over major programs

|                                      |           |          |                     |
|--------------------------------------|-----------|----------|---------------------|
| Material weakness(es) identified?    | _____ yes | _____ no |                     |
| Significant deficiencies identified? | _____ yes | _____ no | _____ none reported |

|  |           |          |          |
|--|-----------|----------|----------|
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | _____ yes | _____ no |          |
|  |           | _____ X  | _____ no |

Major programs:

| <u>Assistance Listing Number(s)</u>         | <u>Name of Federal Program or Cluster</u>               |
|---|---|
| 84.425, 84.425C, 84.425D, 84.425U<br>10.559 | Education Stabilization Fund<br>Child Nutrition Cluster |

Dollar threshold used to distinguish between type A and type B programs: \$750,000

|  |           |          |          |
|--|-----------|----------|----------|
| Auditee qualified as low-risk auditee? | _____ yes | _____ no |          |
|  |           | _____ X  | _____ no |

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2021

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

A. Internal Control Findings –

There are no findings to be reported under this section.

B. Compliance Findings –

There are no findings to be reported under this section.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

There are no findings to be reported under this section.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2021

Finding 2020-001: Documentation of Internal Controls over Open Purchase Orders

*Condition:* The Superintendent authorizes all purchase orders. Certain purchases are approved with an open purchase order for some vendors. This is done to allow for personnel to buy items as deemed necessary for school board use, specifically the child nutrition program. Payments are made by obtaining invoices from employees and follow the normal procedures for processing payments by accounting personnel. Currently, a supervisor of the department purchasing the item does not document review of these purchases. Final review of the invoice and open purchase order is made by accounting personnel.

*Recommendation:* The School Board should establish written policies and/or procedures to require supervisory personnel review and approval on invoices to ensure documentation is evidenced to authorize the approval of these purchases prior to payment and reconciliation of amounts authorized to approved invoices mentioned.

*Current Status:* Resolved.

Finding 2020-002: Preparation of Schedule of Expenditures of Federal Awards (SEFA) Timely Filing of Federal Data Collection Form

*Condition:* The SEFA prepared by the School Board's personnel included as federal awards, expended amounts related to Teacher Incentive Federal (TIF) grant funding for which the School Board was deemed a vendor and not a sub-recipient of the federal award. Also, the SEFA included expenditures for the Temporary Assistance for Needy Families (TANF) grant when the School Board received notice from the Louisiana Department of Education during the year that the TANF grant was no longer a federal grant.

The SEFA prepared by the School Board's personnel did not include amounts passed through to sub-recipients. Slaughter Community Charter School is a sub-recipient of the School Board that receives Title I funding. The funding was not identified on the SEFA.

The SEFA prepared by the School Board's personnel contained incorrect CFDA numbers for federal programs. The Title I School Improvement grant is CFDA 84.010, but the prepared SEFA used CFDA 84.388. In addition, the non-cash commodities is CFDA 10.555. The prepared SEFA used CFDA 10.565.

The federal data collection form was not filed within the established timeline under Uniform Guidance which is within 30 days of the financial report release date.



EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Summary Schedule of Prior Audit Findings (Continued)  
Year Ended June 30, 2021

- Recommendation:* The School Board should strengthen its controls including its review processes over the information and balances that is accumulated and reported on the SEFA to make sure the expenditures reported are an accurate representation of federal costs including proper recording of revenue in an account as non-federal, as applicable. The School Board should implement a procedure to ensure the timing of the federal data collection form is done in accordance with regulations.
- Current Status:* Resolved.
- Finding 2020-003: Annual Report Card, High School Graduation Rate Cohort Documentation
- Condition:* In testing internal controls and compliance with respect to 34 CFR §200.19(b), 1 of 4 leavers had exceptions to the required documentation set forth by the Louisiana Administrative Code Title 28, Part LXXXIII, Chapter 6, §611. This rate of exception indicates that the School Board does not have adequate internal control procedures in place to ensure that all documentation is maintained contemporaneously with the removal of the student to support the removal from a cohort.
- Recommendation:* The School Board should establish procedures at the School and program administration levels to ensure appropriate documentation is obtained related to removal of students from a cohort in accordance with Louisiana Administrative Code Title 28, Part LXXXIII, Chapter 6, §611.
- Current Status:* Resolved.
- Finding 2020-004: Maintenance of Effort Report Preparation and Filing
- Condition:* The information reported on the maintenance of effort form to the state Department of Education (DOE) included accounting information and balances that did not agree with the annual financial report or the audited financial statement balances. Due to the balances reported being in error, the form submitted reported that Maintenance of Effort calculation was less than ninety percent of the aggregate expenditures of the School Board when compared to the previous fiscal year; however, the form reported that the fiscal effort per student was met; although the per student effort was achieved with the incorrect balances. As an audit procedure, a recalculation of the form was performed with the correct data and both the aggregate expenditures and the per student effort met the requirements of being within ninety percent of the previous fiscal year.
- Recommendation:* The School Board should establish procedures to review its AFR information and update accordingly once the financial statements are issued each year. Amended forms should be submitted when the original forms filed contain errors.
- Current Status:* Resolved.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Summary Schedule of Prior Audit Findings (Continued)  
Year Ended June 30, 2021

Finding 2020-005: Preparation of the Three Months Cash Report

*Condition:* In testing internal controls and compliance with regards to the submission of the income and expenses report, it was noted that the net cash resources exceeded the three months' average expenditures. However, we noted the report was not correctly prepared as it included balance in error or missing. The School Board did not report receivables and payables that are required to be submitted to the Louisiana Department of Education per Louisiana Administrative Code Title 28, Part XLIX, Chapter 3, §305. The form file reported excess cash in error and included a plan on how the School Board will spend the excess cash. As an audit procedure, a recalculation of the form was performed with the correct data obtained from the audited financial statement. The correct calculation showed a negative cash balance which did not require a plan to spend excess cash.

*Recommendation:* The School Board should establish procedures to review the submission of the income and expenses report that includes not only cash but also any additional receivables or payables. Amended forms should be submitted when the original forms filed contain errors.

*Current Status:* Resolved.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULES REQUIRED BY STATE LAW**  
**(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)**

# KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA\* - retired 2020

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

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Mrs. Keisha Netterville, Superintendent,  
and Members of the East Feliciana Parish School Board  
the Louisiana Department of Education and  
the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the East Feliciana Parish School Board (School Board) for the fiscal year ended June 30, 2021; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514. Management of the School Board is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

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

There were no exceptions 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 determined if the class was properly classified on the schedule.

There were no exceptions noted.

### **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 was properly classified on the PEP data or equivalent listing prepared by management.

There were seven exceptions 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).

There were sixteen exceptions noted.

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

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

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the School Board, as required by Louisiana Revised Statute 24:514, 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.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Abbeville, Louisiana  
December 9, 2021

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)  
As of and for the Year Ended June 30, 2021

**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.

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana  
Schedule 1

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2021

**General Fund Instructional and Equipment Expenditures**

General fund instructional expenditures:

Teacher and student interaction activities:

|  |              |               |
|--|--------------|---------------|
| Classroom teacher salaries                       | \$ 5,762,116 |               |
| Other instructional staff salaries               | 385,374      |               |
| Instructional staff employee benefits            | 3,285,830    |               |
| Purchased professional and technical services    | 542,768      |               |
| Instructional materials and supplies             | 324,823      |               |
| Instructional equipment                          | -            |               |
| Total teacher and student interaction activities |              | \$ 10,300,911 |

Other instructional activities

|  |         |         |
|--|---------|---------|
| Pupil support activities                         | 424,736 |         |
| Less: Equipment for pupil support activities     | -       |         |
| Net pupil support activities                     |         | 424,736 |
| Instructional staff services                     | 853,525 |         |
| Less: Equipment for instructional staff services | -       |         |
| Net instructional staff services                 |         | 853,525 |

School Administration

|   |   |           |
|---|---|-----------|
| Less: Equipment for school administration | - |           |
| Net school administration                 |   | 1,263,974 |

Total general fund instructional expenditures \$ 12,843,146

Total general fund equipment expenditures (Object 730; Function series 1000-4000) \$ -

**Certain Local Revenue Sources**

Local taxation revenue:

|   |              |
|---|--------------|
| Constitutional ad valorem taxes   | \$ 622,025   |
| Renewable ad valorem tax  | 3,180,075    |
| Debt service ad valorem tax   | -            |
| Up to 1% of collections by the Sheriff on taxes other than school taxes | 94,054       |
| Sales and use taxes   | 2,039,364    |
| Total local taxation revenue  | \$ 5,935,518 |

Local earnings on investment in real property:

|   |          |
|---|----------|
| Earnings from 16th section property                 | \$ -     |
| Earnings from other real property                   | 3,642    |
| Total local earnings on investment in real property | \$ 3,642 |

State revenue in lieu of taxes:

|                                      |           |
|--------------------------------------|-----------|
| Revenue sharing - constitutional tax | \$ 46,092 |
| Revenue sharing - other taxes        | -         |
| Revenue sharing - excess portion     | -         |
| Other revenue in lieu of taxes       | -         |
| Total state revenue in lieu of taxes | \$ 46,092 |

Nonpublic textbook revenue \$ 12,820

Nonpublic transportation revenue \$ -

EAST FELICIANA PARISH SCHOOL BOARD  
Clinton, Louisiana  
Schedule 2

Class Size Characteristics  
As of October 1, 2020

| School Type                      | Class Size Range |        |         |        |         |        |         |        |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|
|                                  | 1 - 20           |        | 21 - 26 |        | 27 - 33 |        | 34+     |        |
|                                  | Percent          | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary                       | 81.7%            | 219    | 16.4%   | 44     | 1.9%    | 5      | 0.0%    | -      |
| Elementary Activity Classes      | 76.7%            | 33     | 20.9%   | 9      | 2.3%    | 1      | 0.0%    | -      |
| Middle/Jr. High                  | 99.1%            | 105    | 0.9%    | 1      | 0.0%    | -      | 0.0%    | -      |
| Middle/Jr. High Activity Classes | 100.0%           | 15     | 0.0%    | -      | 0.0%    | -      | 0.0%    | -      |
| High                             | 87.5%            | 244    | 10.0%   | 28     | 2.5%    | 7      | 0.0%    | -      |
| High Activity Classes            | 73.3%            | 22     | 16.7%   | 5      | 10.0%   | 3      | 0.0%    | -      |
| Combination                      | 100.0%           | 10     | 0.0%    | -      | 0.0%    | -      | 0.0%    | -      |
| Combination Activity Classes     | 100.0%           | 2      | 0.0%    | -      | 0.0%    | -      | 0.0%    | -      |

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 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.