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**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**  
**ANNUAL FINANCIAL AND COMPLIANCE REPORTS**  
**YEAR ENDED JUNE 30, 2020**

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**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**  
**ANNUAL FINANCIAL AND COMPLIANCE REPORTS**  
**YEAR ENDED JUNE 30, 2020**

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## **INDEPENDENT AUDITORS' REPORT**

To the 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, 2020, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish School Board, as of June 30, 2020, 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.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the major funds descriptions, the budgetary comparison schedules, the schedule of changes in total other post-employment benefits liability and related ratios, the schedule of proportionate share of the net pension liability for cost sharing defined benefit plans, the schedule of employer contributions to the retirement system of cost sharing defined benefit plans, and the notes to 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 inquires 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 East Feliciana Parish School Board's basic financial statements. The accompanying supplemental information consisting of the schedule of compensation, benefits, and other payments to agency head, the non-major governmental fund descriptions, the combining non-major governmental fund financial statements, the fiduciary fund type descriptions, the combining balance sheet – agency funds, and the schedule of compensation paid to board members, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and related notes is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements.

The schedule of compensation, benefits, and other payments to agency head, the non-major governmental fund descriptions, the combining non-major governmental fund financial statements, the fiduciary fund type descriptions, the combining balance sheet – agency funds, the schedule of compensation paid to board members, and the schedule of expenditures of federal awards and related notes 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 schedule of compensation, benefits, and other payments to agency head, the non-major governmental fund descriptions, the combining non-major governmental fund financial statements, the fiduciary fund type descriptions, the combining balance sheet – agency funds, the schedule of compensation paid to board members, and the schedule of expenditures of federal awards and related notes are fairly stated in all material respects in relation to the basic financial statements as a whole.



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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2021, on our consideration of the East Feliciana Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the East Feliciana Parish 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 East Feliciana Parish School Board's internal controls over financial reporting and compliance.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
February 22, 2021



**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

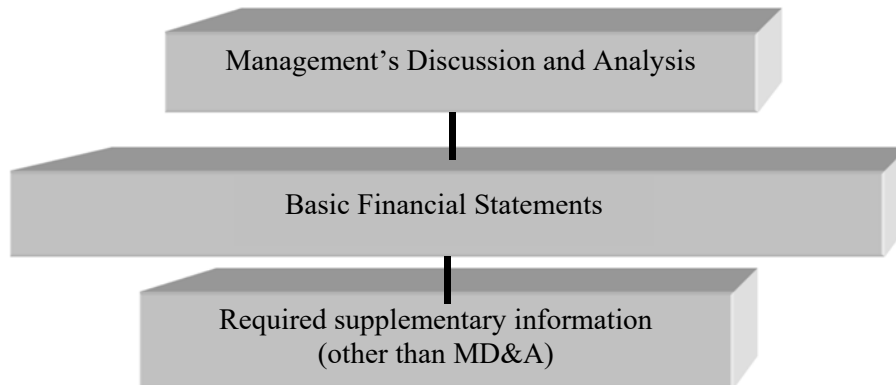
The Management’s Discussion and Analysis of the East Feliciana Parish School Board’s (the School Board) financial performance presents a narrative overview and analysis of the School Board’s financial activities for the year ended June 30, 2020. This document focuses on the current year’s activities, 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 2020 by approximately \$27 million thus indicating a deficit in net position.
- ★ Expenses exceeded revenues by approximately \$838,000 for the year, indicating an overall decrease in the financial position of the School Board.
- ★ The General Fund’s fund experienced a net loss from the prior year by approximately \$205,000. The main cause of this loss was a decrease in revenues of approximately \$174,000 mainly from other income decrease of approximately \$112,000 and from state sources decrease of approximately \$53,000.
- ★ The Operations and Maintenance Fund, which accounts for the proceeds of a 1% sales tax, has a fund balance of approximately \$657,000 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.
- ★ The School Boards operations was affected beginning in late March 2020 due to the closures, stay at home orders and social distancing measures necessary due to the COVID-19 public health emergency. The School Lunch Services program was directly affected due to the changes in operations as meal services ceased and federal reimbursements stopped. This resulted in the School Food Services fund incurring a net loss of approximately \$55,000 for the fiscal year.

**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, 2020**

**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

These financial statements consist of four sections: (1) management's discussion and analysis (this section), (2) the basic financial statements (including the notes to the financial statements), (3) required supplementary information, and (4) an optional section that presents combining statements for non-major governmental funds.

**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 the 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, the Operations and Maintenance Fund, and the School Food Service 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, 2020**

**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 funds consist of the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities, and 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

	June 30, 2020	June 30, 2019 Restated
Current assets	\$ 3,480,879	\$ 3,242,798
Capital assets, net	10,441,586	10,699,206
Total assets	13,922,465	13,942,004
Deferred outflows of resources	11,389,105	9,207,036
Total assets and deferred outflows of resources	\$ 25,311,570	\$ 23,149,040
Accounts, salaries and other payables	\$ 2,016,033	\$ 1,310,544
Bonds payable	3,872,114	4,242,074
Lease payable	39,044	57,487
Total other post-employment benefit liability	22,242,941	17,977,517
Compensated absences	406,445	407,906
Net pension liability	20,521,809	21,275,503
Total liabilities	49,098,386	45,271,031
Deferred inflows of resources	3,260,680	4,087,661
Net Position:		
Net investment in capital assets	6,569,472	6,457,132
Restricted	2,477,992	2,476,917
Unrestricted	(36,094,960)	(35,143,701)
Total net position	(27,047,496)	(26,209,652)
Total liabilities, deferred inflows of resources, and net position	\$ 23,311,570	\$ 23,149,040

- Cash and cash equivalents increased by approximately \$38,000 over the prior year. These assets, consisting of cash in local financial institutions comprise approximately 14% of total assets.
- Capital assets, which are reported net of accumulated depreciation, account for approximately 75% of the total assets of the School Board for the most recent year ended.
- The June 30, 2019 balance was restated to reflect an adjustment of sales tax receivable that was overstated in the prior year of approximately \$395,000.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

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

- As a result of the changes in actuarial assumptions used in the calculation total other post-employment benefit liability, the total other post-employment (OPEB) liability increase by approximately \$4.3 million. The increase in OPEB liability was offset by the net change in deferrals associated with OPEB of \$2.9 million resulting in a net change of \$1.4 million.

Statements of Activities  
For the years ended June 30, 2020 and 2019

	2020	2019 Restated
<b>Program revenues</b>		
Charges for services	\$ 714,493	\$ 876,032
Operating grants	3,196,466	2,880,537
<b>General revenues</b>		
Ad valorem taxes	3,862,256	3,769,895
Sales and use taxes	3,717,156	3,794,634
State revenue sharing	70,040	46,480
Earnings on investments	31,692	27,097
MFP	10,613,060	10,891,899
Other grants and miscellaneous	400,784	719,207
Total revenues	22,605,947	23,005,781
<b>Expenses</b>		
Instruction:		
Regular education	7,244,614	6,903,208
Special education	815,449	709,437
Vocational education	358,657	340,524
Other education	1,449,281	1,354,673
Support Services:		
Pupil support	575,240	669,921
Instructional staff	2,370,657	2,157,509
General administrative	761,248	916,236
School administrative	1,147,671	1,067,533
Business services	486,779	416,323
Plant operation and maintenance	2,157,223	2,333,070
Transportation	1,274,676	1,219,865
Food service	1,078,283	1,121,218
Central services	117,418	160,511
Interest charged on long-term debt	18,142	1,599
Appropriation to the charter school	3,588,453	3,272,747
Total expenses	23,443,791	22,644,374
Change in net position	(837,844)	361,407
Net position, beginning of year, restated	(26,209,652)	(26,571,059)
Net position, end of year	\$ (27,047,496)	\$ (26,209,652)

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

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

Change in Net Position

- MFP, which accounts for approximately 47% of total revenues for 2020, decreased by approximately \$279,000 due to declining enrollment and thus fewer students in the MFP funding formula for the School Board.
- Ad valorem taxes, which account for approximately 17% of total revenues for 2020, increased by approximately \$92,000 due to an increase in the assessed value of property in the parish.
- Sales and use taxes, which account for approximately 16% of total revenues for 2020, decreased by approximately \$77,000 due to a decrease in retail sales that are subject to tax.
- Operating grant revenues, comprising 14% of total revenues for 2020, increased by approximately \$316,000 due to a change in the allocation of both federal and state grants in the current year reported as program revenues. This increase is offset by a decrease in other revenues that are reported as a component of general revenues by approximately (\$318,000).
- Charges for services, comprising 3% of total revenues for 2020, decreased by approximately \$161,500, primarily due to a reduction in contractual revenues.
- Expenses increased by approximately \$799,000 or 3.5% over the previous year, and were primarily related to increases in personnel costs (salaries, benefits, etc.) and operations and maintenance expenses.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2020, the East Feliciana Parish School Board had approximately \$10.4 million (net of \$16,804,281 in accumulated depreciation) invested in a broad range of capital assets, including land, building, and equipment. (See Table below). This amount represents a decrease of \$257,620 (approximately 2%) over the last year, primarily related to continued depreciation on existing assets.

The School Board recorded depreciation expense of \$658,660 and net additions of \$401,040.

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

	2020	2019
Land	\$ 1,706,878	\$ 1,706,878
Buildings & improvements	8,564,976	8,883,504
Equipment	128,482	93,724
Construction-in-progress	41,250	15,100
Totals	\$ 10,441,586	\$ 10,699,206

This year's additions to capital assets included walkway covers construction in progress of \$41,250, building & improvement additions of completed walkway covers (\$35,000), new roofs (\$27,350), chillers (\$207,100), generators (\$14,325), intercom system (\$29,735), and equipment additions of lawn mowers (\$20,080), tractor (\$25,900) and cooler (\$15,400).

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

**Long-term debt**

At June 30, 2020, the School Board had \$3,872,114 in bonds outstanding for the purpose of construction, rehabilitation and renovations, a decrease of \$369,960 from the prior year balance of \$4,242,074 due to normal scheduled repayments. The School Board reported \$406,445 in compensated absences, a decrease of \$1,462 from the prior year balance of \$407,907 due to employee use of leave benefits. Capital lease liability is \$39,044, a decrease of \$18,443 from the prior year balance of \$57,487 due to normal scheduled repayments. Total other post-employment benefit liability is \$22,242,941, an increase of \$4,265,424 due mainly to changes actuarial assumption in estimating the liability. Net pension liability is \$20,521,809, a decrease of \$753,694, due to changes in actuarial estimates of the liability and proportionate participation of the School Board within each pension plan.

**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 2020 were as follows:

**Revenues:**

The General Fund budget was amended from the original projections to reflect a decrease of \$371,000. State source revenues was the largest decrease of (\$483,500) offset by an increase in revenue from federal sources of \$85,000. The net amendments in local source revenue reflects an increase of \$27,500.

**Expenditures:**

Budgeted expenditures were amended to reflect a net decrease of \$54,270. While budgeted instructional expenditures were increased by \$256,920, this increase was offset by a decrease in budgeted expenditures in support services, charter school appropriations and debt service expenditures of \$311,190.

**ANALYSIS OF FUND BALANCES**

The General Fund's fund balance of approximately \$2,430,000 is 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 approximately \$657,000 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 13% of annual expenditures of the two funds.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF JUNE 30, 2020**

**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 remain consistent from the 2020 year.
- The General Fund operating budget was adopted to operate at a \$210,100 surplus.
- Health insurance and retirement benefit payments are expected to increase on an individual basis.
- State funding through MFP is expected to increase by 4%.
- On March 11, 2020, the World Health Organization declared the Outbreak of a novel coronavirus (COVID-19) as a global pandemic. The COVID-19 pandemic has negatively impacted the global economy and created significant volatility and disruption of financial markets. The School Boards operations and delivery of educational and other services has been modified due to compliance with social distancing requirements of the COVID-19 pandemic. The School Board's continued operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on its grantors, employees, and vendors, all of which are uncertain and cannot be predicted or reasonably estimated at this time.

**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.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

**ASSETS**

Cash and cash equivalents	\$	2,326,866
Sales tax receivable		359,640
Due from other governments		615,076
Other grants receivable		118,473
Inventory		50,916
Other assets		9,908
Capital assets:		
Land and construction in progress		1,748,128
Buildings and equipment, net of accumulated depreciation		8,693,458
TOTAL ASSETS		13,922,465

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred amounts related to net pension liability		5,732,791
Deferred amounts related to total other post-employment benefit liability		5,656,314
TOTAL DEFERRED OUTFLOWS OF RESOURCES		11,389,105

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$	25,311,570
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**LIABILITIES**

Accounts, salaries and other payables	\$	1,983,290
Due to other governments		31,098
Interest payable		1,645
Long-term liabilities:		
Due within one year (bonds, compensated absences, claims and lease)		476,046
Due in more than one year (bonds, compensated absences and lease)		3,841,557
Net pension liability		20,521,809
Total post-employment benefit liability		
Due within one year		965,000
Due in more than one year		21,277,941
TOTAL LIABILITIES		49,098,386

**DEFERRED INFLOWS OF RESOURCES**

Deferred amounts related to net pension liability		2,837,569
Deferred amounts related to total other post-employment benefit liability		423,111
TOTAL DEFERRED INFLOWS OF RESOURCES		3,260,680

**NET POSITION**

Net investment in capital assets		6,569,472
Restricted for:		
Facilities improvements		47,566
Salaries and benefits		2,430,426
Unrestricted		(36,094,960)
TOTAL NET POSITION		(27,047,496)

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$	25,311,570
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The accompanying notes are an integral part of this statement.



**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Grants and Contributions	Governmental Unit	
<u>Functions/Programs</u>				
Instruction:				
Regular education programs	\$ 7,244,614	\$ 6,310	\$ 139,197	\$ (7,099,107)
Special education programs	815,449	-	186,909	(628,540)
Vocational education programs	358,657	-	67,433	(291,224)
Other education programs	1,449,281	93,817	878,524	(476,940)
Support Services:				
Pupil support services	575,240	-	132,830	(442,410)
Instructional staff services	2,370,657	605,390	769,624	(995,643)
General administration services	761,248	-	-	(761,248)
School administration services	1,147,671	-	-	(1,147,671)
Business services	486,779	-	186,006	(300,773)
Plant operation and maintenance	2,157,223	-	165	(2,157,058)
Transportation	1,274,676	-	-	(1,274,676)
Food service	1,078,283	8,976	775,279	(294,028)
Central services	117,418	-	-	(117,418)
Appropriation to charter school	3,588,453	-	60,499	(3,527,954)
Interest charges on long-term debt	18,142	-	-	(18,142)
Total Governmental Activities	<u>\$ 23,443,791</u>	<u>\$ 714,493</u>	<u>\$ 3,196,466</u>	<u>\$ (19,532,832)</u>
General Revenues				
Taxes:				
Ad-valorem taxes				3,862,256
Sales and use taxes				3,717,156
State revenue sharing				70,040
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				10,613,060
Other grants, contributions and awards				154,779
Interest and investment earnings				31,692
Miscellaneous				246,005
		Total general revenues		<u>18,694,988</u>
Change in Net Position				(837,844)
Net Position - beginning of year, as restated				<u>(26,209,652)</u>
Net Position - end of year				<u>\$ (27,047,496)</u>

The accompanying notes are an integral part of this statement.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2020**

	<u>General</u>	<u>Operations and Maintenance</u>	<u>School Food Service</u>	<u>Non-major Governmental</u>	<u>Total</u>
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 970,342	\$ 909,857	\$ 357,148	\$ 89,519	\$ 2,326,866
Sales tax receivable	179,820	179,820	-	-	359,640
Due from other governments	128,814	-	55,653	430,609	615,076
Other grants receivable	-	-	-	118,473	118,473
Due from other funds	1,454,189	-	-	109,010	1,563,199
Inventory	-	-	50,916	-	50,916
Other assets	9,908	-	-	-	9,908
	<u>9,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,908</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,743,073</u>	<u>\$ 1,089,677</u>	<u>\$ 463,717</u>	<u>\$ 747,611</u>	<u>\$ 5,044,078</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$ 574,815	\$ -	\$ 1,639	\$ -	\$ 576,454
Salaries and benefits payable	1,406,836	-	-	-	1,406,836
Due to other governments	-	-	-	31,098	31,098
Due to other funds	-	432,666	461,586	668,947	1,563,199
	<u>-</u>	<u>432,666</u>	<u>461,586</u>	<u>668,947</u>	<u>1,563,199</u>
<b>TOTAL LIABILITIES</b>	<u>1,981,651</u>	<u>432,666</u>	<u>463,225</u>	<u>700,045</u>	<u>3,577,587</u>
Fund balances:					
Nonspendable	-	-	50,916	-	50,916
Restricted for:					
School food services	-	-	-	-	-
Salaries and benefits	2,430,426	-	-	-	2,430,426
Facility improvements	-	-	-	47,566	47,566
Assigned to operations and maintenance	-	657,011	-	-	657,011
Unassigned	(1,669,004)	-	(50,424)	-	(1,719,428)
	<u>(1,669,004)</u>	<u>-</u>	<u>(50,424)</u>	<u>-</u>	<u>(1,719,428)</u>
<b>TOTAL FUND BALANCES</b>	<u>761,422</u>	<u>657,011</u>	<u>492</u>	<u>47,566</u>	<u>1,466,491</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,743,073</u>	<u>\$ 1,089,677</u>	<u>\$ 463,717</u>	<u>\$ 747,611</u>	<u>\$ 5,044,078</u>

The accompanying notes are an integral part of this statement.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

Total Fund Balances at June 30, 2020 - Governmental Funds		\$ 1,466,491
Amounts reported for governmental activities in the statement of net position is different due to the following:		
Deferred inflows and outflows of resources related to the net pension and total other post-employment benefit liability are not payable or receivable, respectively, in the current period and therefore, not reported in the governmental funds		
Deferred outflows of resources - pension related		5,732,791
Deferred outflows of resources - total other post-employment liability benefit related		5,656,314
Deferred inflows of resources - pension related		(2,837,569)
Deferred inflows of resources - total other post-employment benefit liability related		(423,111)
Accrued interest payable		(1,645)
Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds		
Cost of capital assets at June 30, 2020	\$ 27,245,867	
Less: Accumulated depreciation as of June 30, 2020:		
Buildings and improvements	(15,507,440)	
Movable property	(1,296,841)	10,441,586
Long-term liabilities at June 30, 2020:		
Revenue & QSCB bonds	(577,996)	
Qualified Zone Academy bonds	(3,294,118)	
Lease liability	(39,044)	
Total other post employment benefit liability	(22,242,941)	
Compensated absences payable	(406,445)	
Net pension liability	(20,521,809)	(47,082,353)
Total Net Position at June 30, 2020 - Governmental Activities		<u>\$ (27,047,496)</u>

The accompanying notes are an integral part of this statement.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Operations and Maintenance</u>	<u>School Food Service</u>	<u>Non-major Governmental</u>	<u>Total</u>
<b><u>REVENUES</u></b>					
Local sources:					
Ad valorem taxes	\$ 3,862,256	\$ -	\$ -	\$ -	\$ 3,862,256
Sales and use tax	1,858,578	1,858,578	-	-	3,717,156
Earnings on investments	27,073	683	3,936	-	31,692
Other	180,980	-	8,976	705,517	895,473
State and other sources:					
Unrestricted grants-in-aid, MFP	10,531,707	-	12,335	69,018	10,613,060
Revenue sharing	70,040	-	-	-	70,040
Restricted grants-in-aid	154,779	-	-	413,574	568,353
Federal grants	-	-	776,240	2,006,652	2,782,892
<b>TOTAL REVENUES</b>	<b>16,685,413</b>	<b>1,859,261</b>	<b>801,487</b>	<b>3,194,761</b>	<b>22,540,922</b>
<b><u>EXPENDITURES</u></b>					
Current:					
Instruction:					
Regular education programs	6,842,281	-	-	195,345	7,037,626
Special education programs	579,581	-	-	201,620	781,201
Vocational education programs	293,310	-	-	68,920	362,230
Other education programs	466,341	-	-	972,341	1,438,682
Support:					
Pupil support services	449,683	-	-	132,830	582,513
Instructional staff services	1,029,839	-	1,146	1,377,233	2,408,218
General administration services	768,296	-	-	-	768,296
School administration services	1,124,402	-	-	-	1,124,402
Business services	440,338	-	-	708	441,046
Plant operation and maintenance	1,435,894	25,298	-	(9,923)	1,451,269
Transportation	1,175,747	-	-	-	1,175,747
Food services	61,093	-	924,845	-	985,938
Central services	120,149	-	-	-	120,149
Capital outlay	98,060	73,330	15,400	214,250	401,040
Appropriation to charter school	3,527,954	-	-	60,499	3,588,453
Debt service - principal	388,403	-	-	-	388,403
Debt service - interest	16,497	-	-	-	16,497
<b>TOTAL EXPENDITURES</b>	<b>18,817,868</b>	<b>98,628</b>	<b>941,391</b>	<b>3,213,823</b>	<b>23,071,710</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,132,455)</b>	<b>1,760,633</b>	<b>(139,904)</b>	<b>(19,062)</b>	<b>(530,788)</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
Transfers in	2,012,798	-	85,000	-	2,097,798
Transfers out	(85,000)	(1,827,500)	-	(185,298)	(2,097,798)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,927,798</b>	<b>(1,827,500)</b>	<b>85,000</b>	<b>(185,298)</b>	<b>-</b>
<b><u>NET CHANGES IN FUND BALANCES</u></b>	<b>(204,657)</b>	<b>(66,867)</b>	<b>(54,904)</b>	<b>(204,360)</b>	<b>(530,788)</b>
FUND BALANCES - beginning of year, as restated	966,079	723,878	55,396	251,926	1,997,279
FUND BALANCES - end of year	\$ 761,422	\$ 657,011	\$ 492	\$ 47,566	\$ 1,466,491

The accompanying notes are an integral part of this statement.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FISCAL YEAR ENDED JUNE 30, 2020**

Net Change in Fund Balances	\$	(530,788)
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Amounts reported for governmental activities in the statement of activities are different due to the following:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay and other expenditures capitalized, net	\$ 401,040	
Depreciation expense for year ended June 30, 2020	<u>(658,660)</u>	(257,620)

Excess of interest accrued over interest paid		63,380
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The issuance of long-term debt (e.g. bond, leases) provides current financial resources to governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities.

Principal payments on debt and capital lease		388,403
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Expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

Change in total other post-employment benefit liability	\$ (1,404,450)	
Change in compensated absences liability	1,461	
Change in net pension liability, deferred outflows and inflows of resources related to net pension liability	<u>901,770</u>	<u>(501,219)</u>

Change in Net Position - Governmental Activities	\$	<u>(837,844)</u>
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The accompanying notes are an integral part of this statement.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2020**

	Agency Funds
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$ 970,105
Sales tax receivable	535,461
	\$ 1,505,566
 <b><u>LIABILITIES</u></b>	
Taxes paid under protest	\$ 299,804
Amounts held for school clubs and activities	210,381
Due to other governments	995,381
	\$ 1,505,566

The accompanying notes are an integral part of this statement.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**General Information**

The East Feliciana Parish School Board (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.

During the fiscal year ended June 30, 2020, the School Board operated 7 schools within the parish with a total enrollment of approximately 1,808 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

**1. Summary of Significant Accounting Policies**

a. Reporting Entity

The School Board complies with U.S. Generally Accepted Accounting Principles (GAAP). The School Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

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

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**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

1. **Summary of Significant Accounting Policies (continued)**

b. **Basis of Presentation (continued)**

**Government-wide Financial Statements (continued)**

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**

Emphasis of fund financial reporting is on the major funds. Non-major funds (by category) or fund type are summarized into a single column. The major funds of the School Board consist of the General fund, the Operations and Maintenance fund, and the School Food Service Fund.

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 funds of the School Board are classified into two broad categories: Governmental and Fiduciary.

**Governmental Fund Types:**

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is on the determination of changes in short-term financial position, rather than upon net income. The following are the School Board's governmental fund types:



**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Significant Accounting Policies (continued)**

b. Basis of Presentation (continued)

Governmental Fund Types: (continued)

General Fund - 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. It also accounts for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

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 grant, and other programs established for various educational objectives as well as a fund to account for the proceeds of a 1% sales tax dedicated to salary supplements and capital improvements.

Capital Projects Fund – The Capital Projects Fund was established to account for capital improvements, including construction of new facilities and renovations.

Fiduciary Fund Type - Agency Funds:

Fiduciary funds are used to account for assets held by the School Board in a trustee or agency capacity. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

c. Basis of Accounting/Measurement Focus

Government-wide Financial Statements (GWFS)

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales taxes are recognized when the underlying sales transactions occur. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Agency Fund type is accounted for on a flow of economic resources measurement focus (accrual basis). With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

Governmental Funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. 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.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Significant Accounting Policies (continued)**

d. Basis of Accounting/Measurement Focus (continued)

The following paragraphs describe the revenue recognition practices under the modified accrual basis of accounting:

Revenues

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, and most governmental miscellaneous revenues, including investment earnings, are recorded as earned since they are measurable and available. The Board definition of available generally means expected to be received within sixty days of the end of the fiscal year.

Non-exchange transactions, in which the Board receives value without directly giving value in return, include sales tax, property tax, special assessments, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales taxes and gross receipts business taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special assessments are recognized as revenues only to the extent that individual installments are considered current assets in the governmental fund types.

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Expenditures

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

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 debt.

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.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Significant Accounting Policies (continued)**

e. Budget Practices

The proposed budgets for fiscal year 2020 were completed and made available for public inspection at the School Board office. A public hearing was held for suggestions and comments from taxpayers. The proposed fiscal year 2020 budgets were formally adopted by the School Board after the public hearing. The budgets, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds, were made available to the public.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting. Formal budgetary integration is used during the year as a management control device. Any part of appropriations which is not expensed is not automatically re-appropriated in the next year.

The School Board is authorized to transfer amounts between line items within any fund. 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 a public meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

f. 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.

g. Inventory

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities provided by the United States Department of Agriculture. The commodities are recorded as revenues and expenditures when consumed. All inventory items purchased are valued at the lower of cost or market (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

h. Capital Assets

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains threshold levels for capitalizing capital assets of \$5,000.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Significant Accounting Policies (continued)**

g. Capital Assets (continued)

Capital assets are recorded in the GWFS as an asset, but are reported in the FFS as an expenditure. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 15 years for equipment, 10 to 30 years for building and land improvements, and 40 years for buildings.

h. Government-wide Net Position

Government-wide net position is divided into three components:

- Net investment in capital assets - consist of capital assets net of accumulated depreciation and reduced generally by the outstanding balances on any bonds, mortgages, notes, deferred charges on refunding, or other borrowing less any unspent debt proceeds that are attributable to the acquisition of the capital assets.
- Restricted net position - consists of net position that is restricted by the Board's creditors, by state enabling legislation, by grantors (both federal and state), and by other contributors.
- Unrestricted - all other net position is reported in this category.

i. Fund Equity of Fund Financial Statements

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

- Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
- Spendable:
  - Restricted - amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.
  - Committed - amounts that can be used only for specific purposes determined by a formal action by School Board ordinance or resolution.
  - Assigned - amounts that are constrained by the Board's intent to be used for specific purposes, but are neither restricted or committed.
  - Unassigned - all amounts not included in other spendable classifications
- When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, allowed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Significant Accounting Policies (continued)**

j. Annual, Sick and Sabbatical Leave

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 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 Codification Section C60, 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.

k. Sales Taxes

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

- 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.
- 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 Agency Fund.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Significant Accounting Policies (continued)**

l. Pension Plans

The East Feliciana Parish School Board is a participating employer in two defined benefit pension plans as described in Note 9. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

m. Other Post-employment Benefit Plan

The East Feliciana Parish School Board provides certain continuing healthcare and life insurance benefits for its retired employees through a single-employer defined benefit other post-employment benefits plan as described in Note 10. For purposes of measuring the other post-employment benefits liability, deferred outflows of resources and deferred inflows of resources related to the plan, and plan expense, information about the fiduciary net position of the plan, and additions to and 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 benefit terms. The post-employment benefit plan had no assets as of June 30, 2020.

n. Estimates

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

o. Current Year Adoption of New Accounting Standard

The School Board applied the provisions of GASB Technical Bulletin 2020-1 *Accounting and Financial Reporting Issues Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Coronavirus Diseases*, which established accounting for certain aspects of CARES Act assistance, including recognition of revenue effects of subsequent amendments to the CARES Act, extraordinary and special items reporting, and classification of revenues, as applicable.

Certain accounting and other changes were initially planned, however; the School Board applied GASB statement 95 *Postponement of the Effective Dates of Certain Authoritative Guidance* which delayed implementation of GASB effective dates including GASB 84 *Fiduciary Activities*, which was initially scheduled to be effective for the fiscal year ended June 30, 2020 has been postponed for one year to now be effective for fiscal year ending June 30, 2021. Additionally, the implementation of GASB 87 *Leases*, which was initially scheduled to be effective for the fiscal year ended June 20, 2021 has been postponed for a year to now be effective for fiscal year ending June 30, 2022.

**EAST FELICIANA PARISH SCHOOL BOARD**  
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**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:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
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**

The School Board’s cash and cash equivalents consist entirely of deposits in local financial institutions. At year end, the carrying amount of the School Board's deposits was \$3,296,971 which includes \$970,105 held in an agency capacity for sales tax and school activities. The total bank balance was \$3,133,677.

Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk for deposits is the risk that in event of financial institution failure, the School Board’s deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. The School Board’s deposits were not subject to custodial credit risk at June 30, 2020.

**4. Due From/To Other Funds**

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

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 1,565,538	\$ 111,349
Operations and Maintenance	-	432,666
School Food Service Fund	85,046	546,632
Non-major Governmental Funds	<u>109,010</u>	<u>668,947</u>
Total	<u>\$ 1,759,594</u>	<u>\$ 1,759,594</u>

Balances are a result of advances made by the general fund for expenditures of the federal grant programs.

**EAST FELICIANA PARISH SCHOOL BOARD**  
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**5. Interfund Transfers**

Interfund transfers for the year ended June 30, 2020, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 2,012,798	\$ 85,000
Operations and Maintenance	-	1,827,500
School Food Service Fund	85,000	-
Non-Major Governmental Funds	-	185,298
Total	<u>\$ 2,097,798</u>	<u>\$ 2,097,798</u>

Transfers between funds generally consist of two types: 1) transfers to the general fund from federal grant funds for indirect cost reimbursements and 2) transfers from the operations and maintenance fund to the general fund for salary supplements.

**6. Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2020, are as follows:

	<u>Balance as of June 30, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance as of June 30, 2020</u>
Cost of capital assets				
		\$	\$	
Land	\$ 1,706,878	-	-	\$ 1,706,878
Building & improvements	23,888,464	313,510	-	24,201,974
Furniture & equipment	1,234,385	61,380	-	1,295,765
Construction in progress	15,100	41,250	(15,100)	41,250
Total cost of capital assets	<u>26,844,827</u>	<u>416,140</u>	<u>(15,100)</u>	<u>27,245,867</u>
Accumulated depreciation				
Building & improvements	15,004,960	632,038	-	15,636,998
Furniture & equipment	1,140,661	26,622	-	1,167,283
Total accumulated depreciation	<u>16,145,621</u>	<u>658,660</u>	<u>-</u>	<u>16,804,281</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 10,699,206</u>	<u>\$ (242,520)</u>	<u>\$ (15,100)</u>	<u>\$ 10,441,586</u>

Depreciation expense of \$658,660 was a charge to plant operation and maintenance function in the statement of activities.



**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**7. General Long-term Debt**

The following is a summary of the changes in general long-term debt for the year ended June 30, 2020:

	Balance <u>6/30/2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/2020</u>	Amount due within <u>one year</u>
Compensated absences Qualified School	\$ 407,907	\$ 711,358	\$ (712,820)	\$ 406,445	\$ 86,933
Construction Bonds	382,662	-	(54,666)	327,996	54,666
Qualified Zone Academy Bond	3,529,412	-	(235,294)	3,294,118	235,294
Revenue Bonds	330,000	-	(80,000)	250,000	80,000
Alio Lease	<u>57,487</u>	<u>-</u>	<u>(18,443)</u>	<u>39,044</u>	<u>19,153</u>
	<u>\$ 4,707,468</u>	<u>\$ 711,358</u>	<u>\$ (1,101,223)</u>	<u>\$ 4,317,603</u>	<u>\$ 476,046</u>

The table above includes a lease that is considered a financed purchase in accordance with GASB No. 88.

The compensated absence liability will be liquidated primarily from the general fund.

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.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**7. General Long-term Debt (continued)**

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 10th 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 terms of the individual debt issues outstanding at June 30, 2020, are as follows:

Direct Placements and Borrowings	Original Issue	Interest Rate	Final Due Date	Interest to Maturity	Principal Outstanding
Bond Issue					
Qualified School Construction Bonds, Series 2011, dated June 22, 2011	\$ 820,000	0.800%	June 15, 2026	\$ 39,360	\$ 327,996
Revenue Bonds, Series 2013, dated July 2013	750,000	2.340%	March 15, 2023	11,817	250,000
Qualified Zone Academy Bonds, Series 2016, dated December 2016	4,000,000	0.000%	December 15, 2033	-	3,294,118
Alio lease, dated November 2016	113,004	3.853%	November 10, 2021	2,270	39,044
	<u>\$ 5,683,004</u>			<u>\$ 53,447</u>	<u>\$ 3,911,158</u>

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

Years Ending June 30,	Direct Placement Debt		
	Principal	Interest	Total
2021	369,960	12,410	382,370
2022	374,960	10,538	385,498
2023	374,960	8,549	383,509
2024	289,960	6,560	296,520
2025 - 2030	1,521,096	13,120	1,534,216
2031 - 2033	941,178	-	941,178
	<u>\$ 3,872,114</u>	<u>\$ 51,177</u>	<u>\$ 3,923,291</u>

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. At June 30, 2020, the net assessed value of taxable property for the parish was \$187,009,707, which would result in a \$65,453,397 bonded debt limit.

The Alio lease principal and interest payouts as of June 30, 2020, is as follows:

Years Ending June 30,	Direct Borrowing Debt		
	Principal	Interest	Total
2021	19,153	1,504	20,657
2022	19,891	766	20,657
	<u>\$ 39,044</u>	<u>\$ 2,270</u>	<u>\$ 41,314</u>

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.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Operating Leases**

The School Board contracts with individual bus owners on an annual basis for a period of one school year. The School Board had 26 operating lease agreements for the use of privately owned buses with various individual bus owners for the year ended June 30, 2020. Lease payments vary between \$10,000 and \$19,500 per year for each operating lease agreement. Total payments under the agreements were approximately \$400,500 for the school year ended June 30, 2020.

**9. Defined Benefit Pension Plans**

The East Feliciana Parish School Board (the School Board) is a participating employer in two cost-sharing defined benefit pension plans. These plans are administered by two public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

TRSL:  
8401 United Plaza Blvd.  
P. O. Box 94123  
Baton Rouge, Louisiana 70804-9123  
(225) 925-6446  
www.trsl.org

LSERS:  
8660 United Plaza Blvd.  
Baton Rouge, LA 70804  
(225) 925-6484  
www.lasers.net

**Plan Descriptions:**

**Teachers' Retirement System of Louisiana (TRSL)** is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in LRS 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:761.

**Louisiana School Employees' Retirement System (LSERS)** is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to school employees as defined in LRS 11:1002. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:1141.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Defined Benefit Pension Plans (continued)**

**Plan Descriptions (continued):**

A brief summary of eligibility and benefits of the plans are provided in the following table:

	<u>TRSL</u>	<u>LSERS</u>
<b>Final average salary</b>	Highest 36 or 60 months <sup>1</sup>	Highest 36 or 60 months <sup>1</sup>
<b>Years of service required and/or age eligible for benefits</b>	30 years any age <sup>4</sup> 25 years age 55 20 years any age <sup>2</sup> 5 years age 60 <sup>5</sup> 5 years age 62 <sup>6</sup>	30 years any age 25 years age 55 20 years any age <sup>2</sup> 5-10 years age 60 <sup>5</sup>
<b>Benefit percent per years of service</b>	2% to 3.0% <sup>3</sup>	2.5% to 3.33% <sup>3</sup>

<sup>1</sup> Employees hired after a certain date use the revised benefit calculation based on the highest 60 months of service

<sup>2</sup> With actuarial reduced benefits

<sup>3</sup> Benefit percent varies depending on when hired

<sup>4</sup> For school food service workers, hired on or before 6-30-15, 30 years at age 55

<sup>5</sup> Five to ten years of creditable service at age 60 depending upon the plan or when hired

<sup>6</sup> Hired on or after 7/1/15, age eligibility is 5 years at age 62

**Cost of Living Adjustments**

The pension plans in which the School Board participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to these systems, (TRSL and LSERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to funded status and interest earnings.

**Contributions**

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In accordance with state statute, TRSL receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Contributions are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2020, for the School Board and covered employees were as follows:

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Defined Benefit Pension Plans (continued)**

**Contributions (continued)**

	<u>School Board</u>	<u>Employees</u>
Teachers' Retirement System:		
Regular Plan	26.00%	8.00%
Plan A	26.00%	5.00%
School Employees' Retirement System	29.40%	7.50% - 8.00%

The contributions made to the two Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Teachers' Retirement System	\$ 2,375,142	\$ 2,321,720	\$ 1,967,106
School Employees' Retirement System	246,852	216,243	174,279

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

The following schedule lists the School Board's proportionate share of the net pension liability allocated by each of the pension plans for based on the June 30, 2020, measurement date. The School Board uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2020, in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2020, along with the change compared to the June 30, 2019, rate. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	Net Pension Liability at June 30, 2020 (measured as of June 30, 2019)	Rate at June 30, 2019	Increase (Decrease) on June 30, 2019 Rate
Teachers' Retirement System	\$ 18,834,107	0.18977%	-0.0106%
School Employees' Retirement System	1,687,702	0.24108%	0.0038%
	<u>\$ 20,521,809</u>		

The following schedule list each pension plan's proportionate share of recognized pension expense for the School Board for the year ended June 30, 2020:

	<u>Total Expenses</u>
Teachers' Retirement System	\$ 1,452,515
School Employees' Retirement System	267,709
	<u>\$ 1,720,224</u>

**EAST FELICIANA PARISH SCHOOL BOARD**  
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**9. Defined Benefit Pension Plans (continued)**

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

At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to each pension plan and total from the following sources:

Deferred Outflows:

	<u>TRSL</u>	<u>LSERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ -	\$ -	\$ -
Changes of assumptions	1,338,954	48,928	1,387,882
Net difference between projected and actual earnings on pension plan investments	-	64,927	64,927
Changes in proportion	1,615,331	30,395	1,645,726
Differences between contributions and proportionate share of contributions	-	12,262	12,262
Employer contributions subsequent to the measurement date	<u>2,375,142</u>	<u>246,852</u>	<u>2,621,994</u>
Total	<u>\$ 5,329,427</u>	<u>\$ 403,364</u>	<u>\$ 5,732,791</u>

Deferred Inflows:

	<u>TRSL</u>	<u>LSERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ (588,572)	\$ (42,065)	\$ (630,637)
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	(697,070)	-	(697,070)
Changes in proportion	(1,143,861)	-	(1,143,861)
Differences between contributions and proportionate share of contributions	<u>(360,623)</u>	<u>(5,378)</u>	<u>(366,001)</u>
Total	<u>\$ (2,790,126)</u>	<u>\$ (47,443)</u>	<u>\$ (2,837,569)</u>

The amount reported in the above table totaling \$2,621,994 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019, will be recognized as a reduction in net pension liability in the year ended June 30, 2021.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Defined Benefit Pension Plans (continued)**

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

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	TRSL	LSERS	Total
2020	\$ 265,473	\$ 72,378	\$ 337,851
2021	(375,335)	(15,010)	(390,345)
2022	290,807	29,595	320,402
2023	(16,786)	22,106	5,320
	<u>\$ 164,159</u>	<u>\$ 109,069</u>	<u>\$ 273,228</u>

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2020, are as follows:

	TRSL	LSERS
Valuation Date	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Expected Remaining		
Service Lives	5 years	3 years
Investment Rate of Return	7.55% net of investment expenses (increased from 7.65% in 2018)	7.00% net of investment expense (decreased from 7.0625% in 2018)
Inflation Rate	2.5% per annum	2.50% per annum
Mortality	Active Members - RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.  Non-Disabled retiree/inactive members - RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females. Disability retiree mortality - RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females	Mortality rates based on the RP-2014 Health Annuitant Tables. RP-2014 Sex Distinct Mortality Table. RP-2014 Disabled Lives Mortality Table
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a 5-year (July 1, 2012-June 30, 2017) experience study of the System's members.	Termination, disability, and retirement assumptions were based on a Plan Experience Study performed in 2018 based on plan data for the period of July 1, 2012 through June 30, 2017.
Salary Increases	3.3% - 4.8% varies depending on duration of service	Salary increases were projected based on the 2012-2017 experience study 3.25%
Cost of Living Adjustments	None	Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**9. Defined Benefit Pension Plans (continued)**

**Actuarial Assumptions (continued)**

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

<u>TRSL</u>	<u>LSERS</u>
<p>The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.48% for 2019.</p>	<p>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. The resulting long-term arithmetic nominal expected return is 8.76%.</p>



**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Defined Benefit Pension Plans (continued)**

**Actuarial Assumptions** (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the retirement systems target asset allocations as of June 30, 2019:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Cash	-	-	-	-
Domestic equity	27.00%	-	4.60%	-
International equity	19.00%	-	5.70%	-
Equity	-	39.00%	-	2.93%
Domestic fixed income	13.00%	-	1.69%	-
International fixed income	5.50%	-	2.10%	-
Fixed income	-	26.00%	-	1.07%
Alternatives	-	17.00%	-	1.43%
Alternative - private equity	25.50%	-	8.67%	-
Alternative - other equity	10.00%	-	3.65%	-
Real assets	-	12.00%	-	0.73%
Real assets	-	6.00%	-	0.60%
Total	100.00%	100.00%		
Inflation				2.50%
Expected Arithmetic Nominal Return				8.76%

n/a - amount not provided by Retirement System

**Discount Rate**

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of 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. The discount rate used to measure the total pension liability for TRSL and LSERS was 7.55% and 7.00%, respectively for the year ended June 30, 2019.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**9. Defined Benefit Pension Plans (continued)**

**Discount Rate (continued)**

The following table presents the School Board's proportionate share of the net pension liability (NPL) using the discount rate of each retirement system 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 used by each of the retirement systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
<b>TRSL</b>			
Rates	6.550%	7.550%	8.550%
Share of NPL	\$ 25,070,892	\$ 18,834,107	\$ 13,577,450
<b>LSERS</b>			
Rates	6.000%	7.000%	8.000%
Share of NPL	\$ 2,287,174	\$ 1,687,702	\$ 1,175,237

**Payables to the Pension Plan**

The School Board recorded accrued liabilities to each of the retirement systems for the year ended June 30, 2020, mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. The balance due to each for the retirement systems at June 30, 2020 is as follows:

	<u>June 30, 2020</u>
TRSL	\$ 580,896
LSERS	56,157
	<u>\$ 637,053</u>

**10. Total Other Post-employment Benefits Liability (OPEB)**

**General Information about the OPEB Plan**

*Plan description* – The East Feliciana Parish School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The East Feliciana Parish 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..*

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**10. Total Other Post-employment Benefits Liability (OPEB) (continued)**

**General Information about the OPEB Plan** (continued)

*Benefits Provided* – Medical and life benefits are provided to employees upon actual retirement through the Louisiana Office of Group Benefits. The OGB plan is a fully insured, multiple-employer arrangement and this employer’s participation in that 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. Medical benefits are provided to employees upon actual retirement from either the Teachers' Retirement System of Louisiana (TRSL) or the Louisiana School Employees' Retirement System (LSERS). 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; age 60 and 5 years of service. For membership after January 1, 2011, the earliest allowable retirement age without actuarial reduction in benefits is age 60.

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 blended active/retired OGB 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* – At June 30, 2020, the following employees were covered by the benefit terms:

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

**Total OPEB Liability**

The School Board’s total OPEB liability of \$22,242,941 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Prior discount rate	3.50% annually
Discount rate	2.21% annually
Healthcare cost trend rates	5.5% annually for 10 years, 4.5% after
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2020, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2020.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**10. Total Other Post-employment Benefits Liability (OPEB) (continued)**

**Changes in the Total OPEB Liability**

Balance at June 30, 2019	\$ 17,977,517
Changes for the year:	
Service cost	374,371
Interest cost	612,315
Differences between expected and actual experience	(20,910)
Changes in assumptions / inputs	4,265,264
Benefit payments- <i>Employer Retiree Premiums paid</i>	<u>(965,616)</u>
Net changes	<u>4,265,424</u>
Balance at June 30, 2020	<u>\$ 22,242,941</u>

*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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	<b>1.0% Decrease (1.21%)</b>	<b>Current Discount Rate (2.21%)</b>	<b>1.0% Increase (3.21%)</b>
<u>Total OPEB liability</u>	<u>\$ 26,452,883</u>	<u>\$ 22,242,941</u>	<u>\$ 18,957,633</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 (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	<b>1.0% Decrease (4.50%)</b>	<b>CostTrend (5.50%)</b>	<b>1.0% Increase (6.50%)</b>
<u>Total OPEB liability</u>	<u>\$ 19,909,458</u>	<u>\$ 22,242,941</u>	<u>\$ 25,210,485</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Total OPEB Liability**

For the year ended June 30, 2020, the School Board recognized OPEB expense of \$2,340,621 at June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,879,500	\$ (15,682)
Changes in assumptions	3,776,814	(407,429)
Total	<u>\$ 5,656,314</u>	<u>\$ (423,111)</u>

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**10. Total Other Post-employment Benefits Liability (OPEB) (continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Total OPEB Liability (continued)**

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

Years ending June 30:	Amortization of Deferred Outflows
2021	\$ 1,353,935
2022	1,353,935
2023	1,353,935
2024	292,849
2025	292,850
Thereafter	585,699
	\$ 5,233,203

**11. Receivables**

Receivables as of June 30, 2020, for the School Board's governmental activities are as follows:

	General Fund	Operations and Maintenance	School Food	Non-Major Governmental	Total
Sales Tax	\$ 179,820	\$ 179,820	\$ -	\$ -	\$ 359,640
Due From Other Governments	128,814	-	55,653	430,609	615,076
Other Grants	-	-	-	118,473	118,473
Totals	\$ 308,634	\$ 179,820	\$ 55,653	\$ 549,082	\$ 1,093,189

**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.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**13. Changes in Agency Funds**

A summary of the changes in agency funds (amounts due to others) due to others for school activity accounts and due to taxing authorities is as follows:

	School Activity	Sales Tax	Total
Balance at June 30, 2019	\$ 191,807	\$ 1,252,890	\$ 1,444,697
Additions	326,946	6,031,624	6,358,570
Reductions	(308,372)	(5,989,329)	(6,297,701)
Balance at June 30, 2020	<u>\$ 210,381</u>	<u>\$ 1,295,185</u>	<u>\$ 1,505,566</u>

**14. Detailed Restricted Net Position**

Details of restricted Net Position as reported in the entity-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

	\$ 47,566
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**External legal constraints:**

Dedicated sales taxes authorized one percent to payment of teachers' salaries

	<u>2,430,426</u>
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Total Restricted Net Position	<u>\$ 2,477,992</u>
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**15. 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, 2020, the School Board withheld \$48,000 for administrative fees. This resulted in a distribution of \$5,427,938 of sales tax collections to the Police Jury during the year ended June 30, 2020.

**16. Tax Revenues Abated**

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2020, \$291,031 in East Feliciana Parish School Board ad valorem tax revenues were abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**17. Restatement of Prior Year Net Position and Fund Balance**

The net position and fund balances for the general fund and the operations and maintenance fund as of June 30, 2019, was restated due to overstated sales tax receivables reported in the prior year.

The following summarizes the restated beginning net position at the government-wide level and fund balance for the general fund and the operations and maintenance fund as described above:

	<u>Government- Wide</u>	<u>General Fund</u>	<u>Operations and Maintenance</u>
Net position / fund balance, beginning of year, as previously stated	\$ (25,814,508)	\$ 1,163,651	\$ 921,450
Correction of sales tax receivables	<u>(395,144)</u>	<u>(197,572)</u>	<u>(197,572)</u>
Net position / fund balance, beginning of year, as restated	<u>\$ (26,209,652)</u>	<u>\$ 966,079</u>	<u>\$ 723,878</u>

The effect of this change to net assets reported on the Statement of Activities and on net change in fund balance reported on the Statement of Revenues, Expenditures and Changes in Fund Balance was a decrease of \$31,158.

**18. Appropriations to Charter Schools**

Appropriations to Type 1 and Type 2 Charter Schools during the year ended June 30, 2020 were as follows:

	<u>General Fund</u>	<u>Title 1</u>	<u>Total</u>
Type 1 Charter Schools			
Slaughter Community Charter School	\$ 3,264,584	\$ 60,499	\$ 3,325,083
Total Type 1 Charter Schools	<u>\$ 3,264,584</u>	<u>\$ 60,499</u>	<u>\$ 3,325,083</u>
Type 2 Charter Schools			
Louisiana Key Academy	\$ 21,295	\$ -	\$ 21,295
GEO Prep Academy	4,259	-	4,259
Advantage Charter Academy	85,180	-	85,180
Louisiana Virtual Charter Academy	42,164	-	42,164
University View Academy	<u>110,472</u>	<u>-</u>	<u>110,472</u>
Total Type 2 Charter Schools	<u>\$ 263,370</u>	<u>-</u>	<u>\$ 263,370</u>
Total Charter Schools	<u>\$ 3,527,954</u>	<u>\$ 60,499</u>	<u>\$ 3,588,453</u>

**19. Current Accounting Standards Scheduled to be Implemented**

Following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the school Board's financial report:

GASB Statement 84, *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the School Board controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. The standard is effective for annual reporting periods beginning after December 15, 2019. The School Board will include the requirements of this standard, as applicable, in its June 30, 2021 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**19. Current Accounting Standards Scheduled to be Implemented (continued)**

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The School Board will include the requirements of this standard, as applicable, in its June 30, 2022 financial statement. All of the School Board lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the School Board are unknown at this time.

**20. Subsequent Events**

In March, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread throughout the United States. The COVID-19 pandemic has negatively impacted the global economy and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic on the School Board's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on the School Board's, vendors and employees, all of which are uncertain and cannot be predicted. The ultimate extent to which the COVID-19 pandemic may directly or indirectly impact the School Board's financial condition or results of operations cannot be reasonably estimated at this time.

For the year ended June 30, 2021, the COVID-19 pandemic continues to impact the School Board. However, major disruptions to budgets, operations and its ability to execute its educational mission have been avoided. Additionally, the School Board received \$974,427 in grant funding for pandemic relief under the Elementary and Secondary School Emergency Relief provisions of the CARES Act through the Louisiana Department of Education subsequent to year end.



**REQUIRED SUPPLEMENTAL INFORMATION – PART II**

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULES**  
**MAJOR FUND DESCRIPTIONS**  
**JUNE 30, 2020**

Budgetary comparison schedules are reported for the following general and special revenue funds:

**General Fund**

The General Fund accounts for all financial transactions except those required to be accounted for in another fund.

**Operations and Maintenance Fund**

The Operations and Maintenance Fund (formerly the Sales Tax Debt Service Fund) accounts for the proceeds of the one cent sales tax. The School Board has uses the proceeds to fund salary supplements and capital improvements. The tax has been used as 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.

**School Food Service Fund**

The School Food Service Fund is used to account for the operations of the school food service program. The purposes of the school food service program are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults. The program is subsidized by grants from the U.S. Department of Agriculture and the Louisiana Department of Education.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
Local sources:				
Taxes:				
Ad-valorem	\$ 3,640,000	\$ 3,670,000	\$ 3,862,256	\$ 192,256
Sales and use	1,775,000	1,860,000	1,858,578	(1,422)
Earnings on investments	6,500	1,000	27,073	26,073
Other	337,750	255,750	180,980	(74,770)
State sources:				
Unrestricted grants-in-aid	10,735,000	10,260,000	10,531,707	271,707
Revenue sharing	75,000	50,000	70,040	20,040
Restricted grants-in-aid	133,000	149,500	154,779	5,279
Federal sources:				
Grants-in-aid	-	85,000	-	(85,000)
Total revenues	16,702,250	16,331,250	16,685,413	354,163
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular education programs	7,015,000	7,117,200	6,842,281	274,919
Special education programs	713,000	701,700	579,581	122,119
Vocational education programs	146,091	159,711	293,310	(133,599)
Other education programs	279,450	431,850	466,341	(34,491)
Support services:				
Pupil support services	468,749	490,549	449,683	40,866
Instructional staff services	948,340	670,690	1,029,839	(359,149)
General administration services	852,000	717,500	768,296	(50,796)
School administration services	1,133,500	1,156,100	1,124,402	31,698
Business administration services	465,460	458,660	440,338	18,322
Plant operation and maintenance	1,483,160	1,501,660	1,435,894	65,766
Transportation	1,144,422	1,181,722	1,175,747	5,975
Food services	27,764	37,274	61,093	(23,819)
Central services	180,100	124,650	120,149	4,501
Community services	1,500	-	-	-
Capital outlay		-	98,060	(98,060)
Appropriation to charter school	3,180,174	3,235,174	3,527,954	(292,780)
Debt service - principal	402,000	402,000	388,403	13,597
Debt service - interest	-	-	16,497	(16,497)
Total expenditures	18,440,710	18,386,440	18,817,868	(431,428)
Deficiency of revenues under expenditures	\$ (1,738,460)	\$ (2,055,190)	\$ (2,132,455)	\$ (77,265)

(continued)

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>Other financing sources (uses):</u></b>				
Transfers of indirect costs	\$ 131,301	\$ 163,936	\$ -	\$ (163,936)
Operating transfers in	1,700,250	1,810,000	2,012,798	202,798
Operating transfers out	-	-	(85,000)	(85,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources	1,831,551	1,973,936	1,927,798	(46,138)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources (uses)	93,091	(81,254)	(204,657)	(123,403)
FUND BALANCES - beginning of year, as restated	<hr/>	<hr/>	<hr/>	<hr/>
	1,163,651	1,163,651	966,079	(197,572)
FUND BALANCES - end of year	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 1,256,742	\$ 1,082,397	\$ 761,422	\$ (320,975) (concluded)

See the accompanying notes to the required supplementary information.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**OPERATIONS AND MAINTENANCE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>				
Local sources:				
Taxes:				
Sales and use	\$ 1,775,000	\$ 1,860,000	\$ 1,858,578	\$ (1,422)
Earnings on investments	5,000	5,000	683	(4,317)
Total revenues	1,780,000	1,865,000	1,859,261	(5,739)
<b><u>Expenditures:</u></b>				
Current:				
Support services:				
Plant operation and maintenance	75,000	50,000	25,298	24,702
Capital outlay	-	-	73,330	(73,330)
Total expenditures	75,000	50,000	98,628	(48,628)
Excess of revenues over expenditures	1,705,000	1,815,000	1,760,633	(54,367)
<b><u>Other financing uses:</u></b>				
Operating transfers out	(1,700,250)	(1,810,000)	(1,827,500)	(17,500)
Total other financing uses	(1,700,250)	(1,810,000)	(1,827,500)	(17,500)
Net Changes in Fund Balances	4,750	5,000	(66,867)	(71,867)
FUND BALANCES - beginning of year, as restated	921,450	921,450	723,878	(197,572)
FUND BALANCES - end of year	\$ 926,200	\$ 926,450	\$ 657,011	\$ (269,439)

See the accompanying notes to the required supplementary information.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**  
**SCHOOL FOOD SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>Revenues:</u></b>				
Local sources:				
Earnings on investments	\$ 292	\$ 292	\$ 3,936	\$ 3,644
Other	-	-	8,976	8,976
State sources:				
Unrestricted grants-in-aid	18,000	18,000	12,335	(5,665)
Federal sources:				
Grants-in-aid - subgrants	1,002,800	1,000,000	776,240	(223,760)
Total revenues	<u>1,021,092</u>	<u>1,018,292</u>	<u>801,487</u>	<u>(216,805)</u>
<b><u>Expenditures:</u></b>				
Current:				
Support services:				
Instructional staff services	800	800	1,146	(346)
Food services	995,000	995,000	924,845	70,155
Capital outlay	-	-	15,400	(15,400)
Total expenditures	<u>995,800</u>	<u>995,800</u>	<u>941,391</u>	<u>54,409</u>
Excess (deficiency) of revenues over expenditures	<u>25,292</u>	<u>22,492</u>	<u>(139,904)</u>	<u>(162,396)</u>
<b><u>Other financing uses:</u></b>				
Operating transfers in	<u>-</u>	<u>-</u>	<u>85,000</u>	<u>85,000</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>85,000</u>	<u>85,000</u>
Net Changes in Fund Balances	25,292	22,492	(54,904)	(77,396)
FUND BALANCES - beginning of year	<u>55,396</u>	<u>55,396</u>	<u>55,396</u>	<u>-</u>
FUND BALANCES - end of year	<u>\$ 80,688</u>	<u>\$ 77,888</u>	<u>\$ 492</u>	<u>\$ (77,396)</u>

See the accompanying notes to the required supplementary information.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT BENEFITS**  
**LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Financial statement reporting date	Measurement date	Service cost	Interest	Differences between expected and actual experience	Changes in assumptions	Benefit payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered employee payroll	Total OPEB liability as a percentage of covered employee payroll
6/30/2020	6/30/2020	\$ 374,371	\$ 612,315	\$ (20,910)	\$ 4,265,264	\$ (965,616)	\$ 4,265,424	\$ 17,977,517	22,242,941	\$ 6,692,132	332.37%
6/30/2019	6/30/2019	396,713	589,481	2,177,130	742,970	(962,488)	2,943,806	15,033,711	17,977,517	8,790,441	204.51%
6/30/2018	6/30/2018	458,410	564,182	265,964	(582,041)	(973,664)	(267,149)	15,300,860	15,033,711	8,534,409	176.15%

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

*There are no assets accumulated in a trust that meets the criteria of Paragraph 4 of GASB 75 for this OPEB plan.*

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FOR COST SHARING DEFINED BENEFIT PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020 (\*)**

Pension Plan	Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<b>Teachers Retirement System of Louisiana</b>						
	2020	0.1898%	\$ 18,834,107	\$ 8,695,581	216.5940%	68.60%
	2019	0.2004%	19,690,340	7,688,813	256.0908%	68.20%
	2018	0.1794%	18,391,458	7,929,508	231.9369%	65.60%
	2017	0.1858%	21,807,087	7,988,631	272.9765%	59.90%
	2016	0.1739%	18,698,318	7,689,440	243.1688%	62.50%
	2015	0.2057%	21,024,672	8,999,354	233.6242%	63.70%
<b>Louisiana School Employees Retirement System</b>						
	2020	0.2410%	\$ 1,687,702	\$ 772,296	218.5305%	73.49%
	2019	0.2373%	1,585,163	558,407	283.8723%	74.44%
	2018	0.2309%	1,477,804	672,267	219.8240%	75.03%
	2017	0.2473%	1,865,456	758,745	245.8607%	70.09%
	2016	0.2829%	1,794,028	735,381	243.9590%	74.49%
	2015	0.3000%	1,739,552	818,965	212.4086%	76.18%

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

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



**EAST FELICIANA PARISH SCHOOL SYSTEM**  
**CLINTON, LOUISIANA**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE RETIREMENT SYSTEM**  
**OF COST SHARING DEFINED BENEFIT PLANS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Pension Plan	Year	Contractually Required Contribution <sup>1</sup>	Contributions in Relation to Contractually Required Contribution <sup>2</sup>	Contribution Deficiency (Excess)	Covered Payroll <sup>3</sup>	Contributions as a % of Covered Payroll
<b>Teachers Retirement System of Louisiana</b>						
	2020	\$ 2,375,142	\$ 2,375,142	-	\$ 9,135,162	26.00%
	2019	2,321,720	2,321,720	-	8,695,581	26.70%
	2018	1,967,106	1,967,106	-	7,688,813	25.58%
	2017	2,026,792	2,026,792	-	7,929,508	25.56%
	2016	2,101,010	2,101,010	-	7,988,631	26.30%
	2015	2,471,094	2,471,094	-	7,689,440	32.14%
<b>Louisiana School Employees Retirement System</b>						
	2020	\$ 246,852	\$ 246,852	-	\$ 839,633	29.40%
	2019	216,243	216,243	-	772,296	28.00%
	2018	174,279	174,279	-	558,407	31.21%
	2017	212,124	212,124	-	672,267	31.55%
	2016	229,141	229,141	-	758,745	30.20%
	2015	322,763	322,763	-	735,381	43.89%

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

**For reference only:**

<sup>1</sup> Employer contribution rate multiplied by covered payroll

<sup>2</sup> Actual employer contributions remitted to Retirement Systems

<sup>3</sup> Covered payroll amount for each of the fiscal year ended June 30

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2020**

***GENERAL BUDGET POLICIES***

The School Board follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules.

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year prior to September 15, the Superintendent submits to the School Board proposed annual budgets for the general fund and special revenue funds' budgets. Public hearings are conducted, prior to the School Board's approval, to obtain citizens comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

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

The budgets are prepared under the modified accrual basis of accounting. The level of budgetary control is established by function within each fund.

***CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO OTHER POST-EMPLOYMENT BENEFIT PLAN***

Changes in benefit terms -

There were no changes of benefit terms for the years presented.

Changes of Assumptions -

The following changes in actuarial assumptions for each year are as follows:

<u>Discount Rate:</u>		
<u>Measurement</u>		
<u>Date</u>	<u>Rate</u>	<u>Change</u>
6/30/2020	3.500%	0.000%
6/30/2019	3.500%	-0.370%
6/30/2018	3.870%	0.290%
6/30/2017	3.580%	

***CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO DEFINED BENEFIT PENSION PLANS***

Changes in benefit terms -

Teachers Retirement System of Louisiana

2015 - A 1.5% COLA, effective July 1, 2014, provided by Act 204 of the 2014 Louisiana Regular Legislative Session

2016 - Act 93 of the 2016 Legislature provides for a 1.5% permanent benefit increase on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16 for those retired on or before 6/30/15 who are at least the age of 60.

2017 - A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session

Louisiana School Employees Retirement System

2016 - Act 93 of the 2016 Legislature provides for an up to 2.0% COLA on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO DEFINED BENEFIT PENSION PLANS** (continued)

Changes of Assumptions -

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:			Inflation Rate:		
Year (*)	Rate	Change	Year (*)	Rate	Change
<u>TRSL</u>			<u>TRSL</u>		
6/30/2020	7.550%	-0.100%	6/30/2020	2.500%	0.000%
6/30/2019	7.650%	-0.050%	6/30/2019	2.500%	0.000%
6/30/2018	7.700%	-0.050%	6/30/2018	2.500%	0.000%
6/30/2017	7.750%	0.000%	6/30/2017	2.500%	0.000%
6/30/2016	7.750%	0.000%	6/30/2016	2.500%	0.000%
6/30/2015	7.750%		6/30/2015	2.500%	
<u>LSERS</u>			<u>LSERS</u>		
6/30/2020	7.000%	-0.062%	6/30/2020	2.500%	0.000%
6/30/2019	7.063%	-0.063%	6/30/2019	2.500%	-0.125%
6/30/2018	7.125%	0.000%	6/30/2018	2.625%	0.000%
6/30/2017	7.125%	0.125%	6/30/2017	2.625%	-0.125%
6/30/2016	7.000%	-0.250%	6/30/2016	2.750%	0.000%
6/30/2015	7.250%		6/30/2015	2.750%	

Salary Increase:

Year (*)	Rate
<u>TRSL</u>	
6/30/2020	3.300% to 4.800% varies depending on duration of service
6/30/2019	3.300% to 4.800% varies depending on duration of service
6/30/2018	3.500% to 10.000% varies depending on duration of service
6/30/2017	3.500% to 10.000% varies depending on duration of service
6/30/2016	3.500% to 10.000% varies depending on duration of service
6/30/2015	3.500% to 10.000% varies depending on duration of service
<u>LSERS</u>	
6/30/2020	3.250% based pm 2012 - 2017 experience study
6/30/2019	3.250%, based on 2013 - 2017 experience study
6/30/2018	3.075% to 5.375%, based on 2008 - 2012 experience study
6/30/2017	3.200% to 5.000%
6/30/2016	annual salary growth rates based upon members years of service, based on 2008 - 2012 experience study
6/30/2015	annual salary growth rates based upon members years of service, based on 2008 - 2012 experience study

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

**SUPPLEMENTAL INFORMATION**

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS**  
**JUNE 30, 2020**

Title II

The Title II Fund accounts for a federally funded program aimed at enhancing and improving teacher quality. This program is overseen by the Louisiana Department of Education.

Title I

The Title I Fund accounts for the federally funded Title I program which is aimed at improving low achieving schools or students with emphasis on at-risk students. The program is overseen by the Louisiana Department of Education.

Individuals with Disabilities Education Act (IDEA) Funds

This Special Revenue Fund accounts for those expenditures related to providing children with disabilities special education and related services designed to meet their unique needs. These expenditures are funded through Special Education (IDEA) federal grants.

Temporary Assistance to Needy Families (TANF) Funds

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

This Special Revenue Fund accounts for the miscellaneous federal awards, state awards, and other contractual revenue not included in the funds described above.

State Grants

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

Teacher Incentive Grant

The Teacher Incentive Grant Fund accounts for those expenditures related to a statewide collaboration for advancing principal and teacher leadership.

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**  
**GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	Special Revenue								
	Title II	Title I	IDEA	TANF	Other Federal Funds	State Grants	Teacher Incentive Grant	Capital Projects	Total Non-Major Governmental
<b><u>ASSETS</u></b>									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,207	\$ -	\$ 18,312	\$ 89,519
Due from other governments	14,195	97,665	60,423	-	121,333	136,993	-	-	430,609
Other grants receivable	-	-	-	-	-	-	118,473	-	118,473
Due from other funds	-	-	-	-	-	3,162	-	105,848	109,010
<b>TOTAL ASSETS</b>	<b>\$ 14,195</b>	<b>\$ 97,665</b>	<b>\$ 60,423</b>	<b>\$ -</b>	<b>\$ 121,333</b>	<b>\$ 211,362</b>	<b>\$ 118,473</b>	<b>\$ 124,160</b>	<b>\$ 747,611</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>									
Liabilities:									
Due to other governments	\$ -	\$ 31,098	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,098
Due to other funds	14,195	66,567	60,423	-	121,333	211,362	118,473	76,594	668,947
<b>TOTAL LIABILITIES</b>	<b>14,195</b>	<b>97,665</b>	<b>60,423</b>	<b>-</b>	<b>121,333</b>	<b>211,362</b>	<b>118,473</b>	<b>76,594</b>	<b>700,045</b>
Fund balances:									
Spendable:									
Restricted for:									
Federal and state grant programs	-	-	-	-	-	-	-	-	-
Facilities Improvement	-	-	-	-	-	-	-	47,566	47,566
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,566</b>	<b>47,566</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 14,195</b>	<b>\$ 97,665</b>	<b>\$ 60,423</b>	<b>\$ -</b>	<b>\$ 121,333</b>	<b>\$ 211,362</b>	<b>\$ 118,473</b>	<b>\$ 124,160</b>	<b>\$ 747,611</b>

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue					State Grants	Teacher Incentive Grant	Capital Projects	Total Non-Major Governmental
	Title II	Title I	IDEA	TANF	Other Federal Funds				
<b><u>REVENUES</u></b>									
Local sources:									
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ 6,310	\$ -	\$ 699,207	\$ -	\$ 705,517
State and other sources:									
Unrestricted grants-in-aid, MFP	-	-	-	-	-	69,018	-	-	69,018
Restricted grants-in-aid	-	-	-	220,298	-	193,276	-	-	413,574
Federal grants	134,899	992,141	485,114	-	394,498	-	-	-	2,006,652
<b>TOTAL REVENUES</b>	<b>134,899</b>	<b>992,141</b>	<b>485,114</b>	<b>220,298</b>	<b>400,808</b>	<b>262,294</b>	<b>699,207</b>	<b>-</b>	<b>3,194,761</b>
<b><u>EXPENDITURES</u></b>									
Current:									
Instruction:									
Regular education programs	-	187	-	-	6,310	188,650	-	198	195,345
Special education programs	-	-	145,713	-	-	55,907	-	-	201,620
Vocational education programs	-	40,118	-	-	23,151	5,651	-	-	68,920
Other education programs	100,960	397,324	1,243	220,298	158,699	-	93,817	-	972,341
Support:									
Pupil support services	-	-	132,830	-	-	-	-	-	132,830
Instructional staff services	21,715	403,976	162,258	-	171,808	12,086	605,390	-	1,377,233
Business services	-	-	708	-	-	-	-	-	708
Plant operation and maintenance	-	-	-	-	165	-	-	(10,088)	(9,923)
Capital outlay	-	-	-	-	-	-	-	214,250	214,250
Appropriation to charter school	-	60,499	-	-	-	-	-	-	60,499
<b>TOTAL EXPENDITURES</b>	<b>122,675</b>	<b>902,104</b>	<b>442,752</b>	<b>220,298</b>	<b>360,133</b>	<b>262,294</b>	<b>699,207</b>	<b>204,360</b>	<b>3,213,823</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 12,224</b>	<b>\$ 90,037</b>	<b>\$ 42,362</b>	<b>\$ -</b>	<b>\$ 40,675</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (204,360)</b>	<b>\$ (19,062)</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>									
Operating transfers (out)	(12,224)	(90,037)	(42,362)	-	(40,675)	-	-	-	(185,298)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(12,224)</b>	<b>(90,037)</b>	<b>(42,362)</b>	<b>-</b>	<b>(40,675)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(185,298)</b>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(204,360)</b>	<b>(204,360)</b>
FUND BALANCES - beginning of year	-	-	-	-	-	-	-	251,926	251,926
FUND BALANCES - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,566</u>	<u>\$ 47,566</u>

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**FIDUCIARY FUND TYPE – DESCRIPTIONS**  
**JUNE 30, 2020**

**AGENCY FUNDS**

School Activity Funds

The activities of the various school accounts are accounted for in the School Activity Funds. While the funds are under the supervision of the School Board, these funds belong to the individual schools or their student bodies and are not available for use in operations.

Sales Tax Fund

Collection, custodianship and disbursement of sales taxes for the entire parish are accounted for in this fund. The sales taxes consist of a two percent sales and use tax levied by the School Board and a two percent sales and use tax levied by the East Feliciana Parish Police Jury. Since these taxes are remitted to the beneficiary government (including the School Board's General Fund and Operations and Maintenance Fund), this fund is considered to be a collection agent.



**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**  
**COMBINING BALANCE SHEET - AGENCY FUNDS**  
**JUNE 30, 2020**

<b><u>ASSETS</u></b>	<u>School Activity</u>	<u>Sales Tax</u>	<u>Total</u>
Cash and cash equivalents	\$ 210,381	\$ 759,724	\$ 970,105
Sales tax receivable	-	535,461	535,461
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 210,381</u>	<u>\$ 1,295,185</u>	<u>\$ 1,505,566</u>
<b><u>LIABILITIES</u></b>			
Taxes paid under protest	\$ -	\$ 299,804	\$ 299,804
Amounts held for school clubs and activities	210,381	-	210,381
Due to other governments	-	995,381	995,381
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 210,381</u>	<u>\$ 1,295,185</u>	<u>\$ 1,505,566</u>

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, AND  
OTHER PAYMENTS TO AGENCY HEAD  
FOR THE YEAR ENDED JUNE 30, 2020**

<b>Purpose</b>	<i>Agency Head</i> <i>Keisha L. Netterville</i> <b>Amount</b>
Salary	\$ 161,695
Benefits - retirement	43,601
Car allowance	6,000
Mileage	176
Registration fees	350
Conference travel (mileage, parking, taxi, and airfare)	136
Special meals	38
	<hr/> <b>\$ 211,996</b> <hr/>

**EAST FELICIANA PARISH SCHOOL BOARD**  
**CLINTON, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Richard Terrell	\$	7,200
Paul Kent		6,600
Edward Brooks Jr.		6,000
Michael Bradford		6,600
J D Dantzler		6,600
Melvin Hollins		6,450
Mitchell Harrell		6,550
Lillian Drake		6,550
Joyce Kent		6,550
Emily Hurst		6,500
Rufus Nesbit		6,600
Derald Spears		6,150
		<hr/>
	\$	<u>78,350</u>

**REPORTS ON COMPLIANCE AND INTERNAL CONTROL**

**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***

To 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, 2020, 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 February 22, 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described as item 2020-001, in the accompany schedule of findings and questioned costs that we consider to be a significant deficiency.

**Compliance and Other Matters**

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



### **School Board's Response to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
February 22, 2021

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

East Feliciana Parish School Board  
Clinton, Louisiana

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

We have audited East Feliciana Parish School Board (the School Board)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of School Board's major federal programs for the year ended June 30, 2020. The School Board's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the East Feliciana Parish School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the East Feliciana Parish 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 East Feliciana Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-002, 2020-003, 2020-004, and 2020-005. Our opinion on each major federal program is not modified with respect to these matters.

The School Board's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **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 our 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.

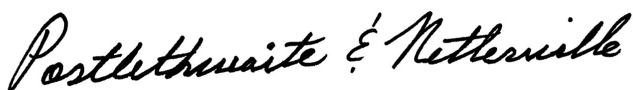
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies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

*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.

We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2020-002, 2020-003, 2020-004, and 2020-005, to be significant deficiencies.

The School Board's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questions costs. The School Board's response was not subjected to the auditing procedure applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Baton Rouge, Louisiana  
February 22, 2021





**EAST FELICIANA PARISH SCHOOL BOARD**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of East Feliciana Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE B – NON-MONETARY ASSISTANCE**

Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2020, the organization had food commodities totaling \$50,916 in inventory. The value of commodities received and used during the period ended June 30, 2020, totaled \$63,362.

**NOTE C - RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS**

The expenditures listed in the accompanying schedule are reported in the following funds in the East Feliciana Parish School Board's June 30, 2020, basic financial statements and combining schedules. Since revenues are recognized to the extent expenditures are incurred, expenditures are readily identifiable with the revenue reported.

Title I and Title I School Improvement	\$	992,141
Title II		134,899
IDEA Special Education Funds		485,114
Other Federal Funds		394,498
School Food Service		<u>776,240</u>
Balance at June 30, 2020	\$	<u>2,782,892</u>

**NOTE D – DE MINIMUS INDIRECT COST RATE**

East Feliciana Parish School Board did not elect to use the 10% de minimus indirect cost rate for the year ended June 30, 2020.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**A. SUMMARY OF AUDITORS' RESULTS**

*Financial Statements*

Type of auditors' report issued: Unmodified

Internal Control over Financial Reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ none reported  
  x   yes

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes      x   no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
- Significant deficiency (ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ none reported  
  x   yes

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?

\_\_\_\_\_ no      x   yes

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553; 10.555	Child Nutrition Cluster
84.010A	Title I Grants to Local Education Agencies

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.
- The East Feliciana Parish School Board does not qualify as a low-risk auditee.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

**2020 – 001) Documentation of Internal Controls over Open Purchase Orders**

Criteria: Internal controls authorizing the payment of supply and materials invoices on open purchase orders should be enhanced.

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.

Cause: Under the current accounting procedures, supervisors do not document review of actual invoices used to match with open purchase orders.

**This is a repeat finding from the prior year.**

Effect: While our audit procedures did not identify any unsupported or unusual transactions, the lack of documented approval of supplies and materials from vendors on open purchase orders could result in unauthorized transactions and use of school board assets without the first review and approval of the supervisor within the department prior to forwarding to accounting for processing for payment.

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.

**View of Responsible Official:**

*This matter relates to purchase orders in the District's school food services area. The District will implement procedures similar to those used for this prior finding in our maintenance department. Since the matter was resolved in the maintenance department, the District believes similar procedures will resolve this finding.*

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**2020 – 002) Preparation of Schedule of Expenditure of Federal Awards (SEFA) Timely Filing of Federal Data Collection Form**

**Questioned Costs: N/A**

Criteria: The Uniform Guidance Subpart F section 200.510 and section 200.512, respectively, require the preparation of the Schedule of Expenditures of Federal Awards (SEFA) to include an accurate reporting of federal awards expended based on the terms and conditions of the grants and submission of data collection form within the earlier of 30 days after receipt of the auditor’s report or nine months after the end of the audit period. In addition, the SEFA should identify amounts passed through to subrecipients along with proper identification of the catalog of federal domestic assistance (CFDA) number for each grant. In order for the SEFA to be prepared accurately, properly report the amounts expended for federal awards, as well as, ensuring timely filing of the data collection form, a system of controls should be in existence that includes the review of the amounts reported on the SEFA, documentation of the consideration of whether federal funding meets the definition of a federal award, and establishment of procedures to ensure timely filing of the 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**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (continued)**

**2020 – 002) Preparation of Schedule of Expenditure of Federal Awards (SEFA) Timely Filing of Federal Data Collection Form (continued)**

**Cause:** The School Board lacks processes and procedures necessary to ensure that expenditures associated with federal grants only are itemized on the SEFA. In addition, the reimbursements received for both the TIF and the TANF grants were recorded in the general ledger to an account number designated as federal revenues. Processes were lacking to ensure grant personnel communicate changes in funding from federal to state or other to accounting personnel and follow through to make sure the proper changes and adjustments are recorded in the general ledger. The SEFA was also incorrectly prepared using the wrong CFDA numbers in addition to not correctly identifying sub-recipient pass through funds. With respect to the timely filing of the federal data collection form, the School Board personnel did not make sure the data collection form was completed and submitted within the due date.

**Effect:** The SEFA provided to us did not contain the correct amounts of federal awards, which is the basis used to determine the major federal programs to be audited in a fiscal year. Errors such as the ones identified on the SEFA could result in additional audit work to achieve the necessary audit coverage required by Uniform Guidance or incorrect information regarding federal grants to be reported. Additionally, overlooking the timely filing of the data collection form results in non-compliance with the Uniform Guidance, not being considered a low risk auditee, and results in additional audit coverage requirements and additional time necessary to complete the Single Audit for the next two years.

**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.

**View of Responsible Official:**

*The District was unaware that the Temporary Assistance for Needy Families was no longer a federal program. This program has historically been reported as federally funded and reported as such on the District's SEFA. However, we are now aware of the Louisiana Department of Education's memorandum declaring the program non-federal for 2020. We will review the status of this program in 2021 for reporting purposes.*

*The federal data collection form was prepared and certified by the District in December 2019 for the fiscal year ended June 30, 2019. However, we understand that the auditor certification was not timely completed resulting in a delay in submission. We consider this matter isolated and will be resolved as 2020 will be filed timely.*

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (continued)**

**2020 – 003) Special Test and Provisions**

**Questioned costs: None**

**84.010A Title I**

**Annual Report Card, High School Graduation Rate Graduation Rate Cohort Documentation**

Criteria: The School Board is required to report graduation rate data for all public high schools at the school level using the 4-year adjusted cohort rate under 34 CFR section 200.19(b)(1)(i)-(iv)). Only students who earn a regular high school diploma may be counted as a graduate for purposes of calculating the 4-year adjusted cohort graduation rate. To remove a student from the cohort, a school must confirm, in writing, that the student transferred out, emigrated to another country, or is deceased. The East Feliciana Parish School Board is responsible for assigning exit codes to any student who leaves the School Board. Only specific exit codes are deemed legitimate reasons for leaving the School Board and will cause the leaver to not be included in the cohort's graduation index calculations. These codes relate to death, transfers out of the state or country, transfers to non-public schools, transfers to home study/in-school private schooling, and transfers to Early College Admissions Programs.

Specific documentation must be maintained in order for students to be considered legitimate leavers from the cohort. Documentation must be clearly dated before October 1st following the student's exit from the Louisiana Student Information System. The School Board is also responsible for developing a system of internal controls to ensure the proper documentation is retained for all leavers of the cohort.

Universe/  
Population Size:

The sample of cohort removals was selected from a universe that includes all students that left the School Board due to transferring to a diploma awarding school or program, death, or emigration to another country. Based on these requirements, the total universe is 37 students who are considered leavers of the cohort. This is also considered the population size.

Sample:

Based on sampling guidance for audits performed under the Uniform Guidance, a non-statistical sample of 4 leavers was selected for testing.

Condition(s):

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.

Cause:

The School Board has relied on the individual schools to acquire and retain all documentation related to the removal of students. At the program level, a centralized control and periodic review did not exist to ensure documentation is adequately maintained contemporaneously with the removal of the students from the cohort.

Effect:

Without proper internal controls over the graduation rate cohort reporting process, documentation may not be properly retained, and therefore the School Board may be noncompliant with the requirements of the Title I program.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (continued)**

**2020 – 003) Special Test and Provisions (continued)**

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.

Repeat Finding: No.

**View of Responsible Official:**

*The District will implement procedures to enhance steps taken for determining a cohort graduation and documents required for a graduation index. Such procedures will be enhanced at the school level with collaboration from the central office.*

**2020 – 004) Level of Effort**

**Questioned costs: None**

**84.010A Title I**

**Maintenance of Effort Report Preparation and Filing**

Criteria: Section 8521 of the Elementary and Secondary Education Act (ESSA) provides that in order continue to receive funding for ESEA programs, the school board is required to report its Annual Financial Report (AFR) information to the state. To be in compliance with the maintenance of effort requirement, the School Board’s combined fiscal effort for student or the aggregate expenditures from state and local funds for free public education for the preceding year cannot be less than ninety percent of the combined fiscal effort or aggregate expenditures for the second preceding year.

Condition(s): 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.

Cause: The School Board is not updating previously entered information from its AFR to the financial statements when reporting to the Louisiana Department of Education.

Effect: Without proper internal controls and review of information, there is the possibility that the School Board may not be in compliance with its Maintenance of Effort requirement. The information submitted to the grantor must be complete and accurate to avoid the possibility of delays or denial of future grant funding.



**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (continued)**

**2020 – 004) Level of Effort (continued)**

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.

Repeat Finding: No.

**View of Responsible Official:**

*The District will review this matter with proper representatives with the Louisiana Department of Education (LDOE). Since the annual financial report is submitted in September and the audit is issued in December, any adjustments to financial records suggested by auditors is not reflected in the annual financial data previously submitted to LDOE. We will review revision procedures with LDOE officials.*

**2020 – 005) Cash Management**

**Questioned costs: None**

**10.553/10.555 Child Nutrition Cluster - Preparation of the Three Months Cash Report**

Criteria: Those entities participating in the Child Nutrition Program are required to submit income and expense reports which includes net cash resources to the Louisiana Department of Education in accordance with Louisiana Administrative Code Title 28, Part XLIX, Chapter 1, §111.

East Feliciana Parish School Board is a School Food Authority (SFA), and SFA's are required per Louisiana Administrative Code Title 28, Part XLIX, Chapter 3, §305 to maintain net cash resources to an amount that does not exceed three months' average expenditures.

Condition(s): 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.

Cause: The School Board does not have an adequate system of review of the income and expenses reported submitted to the Louisiana Department of Education which should have caught incorrect information being submitted.

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (continued)**

**2020 – 005) Cash Management (continued)**

Effect: Without proper internal controls over review of the report, incorrect data may be submitted to the state which could affect the compliance of the federal grant. The information submitted to the grantor must be complete and accurate to avoid the possibility of delays or denial of future grant funding.

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.

Repeat Finding: No.

**View of Responsible Official:**

*Certain reports were filed with the LDOE for fiscal year ended June 30, 2020, that omitted certain obligations owed by the child nutrition program. The omission of these payables at year end overstated the program's financial position resulting in what appeared to be excess cash on hand. Future reports will be reviewed and approved by members of the District's financial team to ensure reporting is complete.*

**EAST FELICIANA PARISH SCHOOL BOARD**  
**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

**A. FINDINGS – FINANCIAL STATEMENT AUDIT**

**2019 - 001 Documentation of Internal Controls over Open Purchase Orders**

Questioned Costs: None

Condition:

Internal controls authorizing the payment of supply invoices on open purchase orders should be enhanced.

Recommendation:

The School Board should establish written policies and/or procedures to ensure documentation is evidenced to authorize the approval of these purchases prior to payment.

Current Status: *Repeat finding in the current year. See 2020 - 001.*

**B. FINDINGS AND QUESTIONED COST – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**2019 - 002 Preparation of Schedule of Expenditures of Federal Awards (SEFA) and Timely Filing of Federal Data Collection Form**

Questioned Costs: None

Condition:

The SEFA provided for audit was not accurately prepared as it included expenditures that should not have been included on the SEFA.

Recommendation:

The School Board should strengthen its controls including its review processes over the information and balances that are accumulated and reported on the SEFA to make sure expenditures reported are an accurate representation of federal costs. 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: *Repeat finding in the current year. See 2020 - 002.*

**PERFORMANCE MEASUREMENT DATA**

## **Independent Accountants' Report On Applying Agreed-Upon Procedures**

To the Members of the  
East Feliciana Parish School Board,  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the East Feliciana Parish School Board (the School Board), the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the School Board for the fiscal year ended June 30, 2020; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin, in compliance with Louisiana Revised Statute 24:514 I. Management of the East Feliciana Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

1. We selected a random 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
  - Nonpublic Transportation Revenue

*In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount. 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, 2019 roll books for those classes and observed that the class was properly classified on the schedule.

*Three of the 10 classes sampled count of students as reported on the schedule did not agree with the roll books. The differences in count between the amount on the report when compared to the roll books was 1, 2 and 3 respectively.*



**Education Levels/Experience of Public School Staff (NO SCHEDULE)**

3. We obtained October 1<sup>st</sup> 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 obtained management's representation that the data/listing was complete. We then selected a sample of 25 teachers' personnel files and observed that each teachers' education level and experience was properly classified on the PEP data (or equivalent listing prepared by management).

*No exceptions were noted.*

**Public School Staff Data: Average Salaries (NO SCHEDULE)**

4. We obtained June 30<sup>th</sup> 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 teachers, traced to each teachers' personnel file, and observed that each teachers' salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

*No exceptions were noted.*

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

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

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
February 22, 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, 2020**

**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**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2020**

**Schedule 1**

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:	
Teacher and Student Interaction Activities:	
Classroom Teacher Salaries	\$ 4,291,717
Other Instructional Staff Activities	358,009
Instructional Staff Employee Benefits	2,968,022
Purchased Professional and Technical Services	419,689
Instructional Materials and Supplies	77,334
Instructional Equipment	-
Total Teacher and Student Interaction Activities	<u>\$ 8,114,771</u>
Other Instructional Activities	66,742
Pupil Support Activities	449,683
Less: Equipment for Pupil Support Activities	-
Net Pupil Support Activities	<u>449,683</u>
Instructional Staff Services	1,029,839
Less: Equipment for Instructional Staff Services	-
Net Instructional Staff Services	<u>1,029,839</u>
School Administration	1,124,402
Less: Equipment for School Administration	-
Net School Administration	<u>1,124,402</u>
Total General Fund Instructional Expenditures	<u><u>\$ 10,785,437</u></u>
Total General Fund Equipment Expenditures	<u><u>\$ -</u></u>

**Certain Local Revenue Sources**

Local Taxation Revenue:	
Constitutional Ad Valorem Taxes	\$ 618,819
Renewable Ad Valorem Tax	3,152,966
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	90,471
Sales and Use Taxes	3,717,156
Total Local Taxation Revenue	<u><u>\$ 7,579,412</u></u>
Local Earnings on Investment in Real Property:	
Earnings from 16th Section Property	\$ 4,664
Earnings from Other Real Property	752
Total Local Earnings on Investment in Real Property	<u><u>\$ 5,416</u></u>
State Revenue in Lieu of Taxes:	
Revenue Sharing - Constitutional Tax	\$ 70,040
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u><u>\$ 70,040</u></u>
Nonpublic Textbook Revenue	<u><u>\$ 12,629</u></u>
Nonpublic Transportation Revenue	<u><u>\$ -</u></u>



**EAST FELICIANA PARISH SCHOOL BOARD**  
**Clinton, Louisiana**

**Class Size Characteristics**  
**As of October 1, 2019**

**Schedule 2**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
<b>Elementary</b>	57.36%	113	32.99%	65	5.58%	11	4.06%	8
<b>Elementary Activity Classes</b>	45.16%	14	41.94%	13	0.00%	0	12.90%	4
<b>Middle/Jr. High</b>	87.76%	86	12.24%	12	0.00%	0	0.00%	0
<b>Middle/Jr. High Activity Classes</b>	85.71%	12	7.14%	1	7.14%	1	0.00%	0
<b>High</b>	73.90%	252	25.81%	88	0.29%	1	0.00%	0
<b>High Activity Classes</b>	43.75%	14	34.38%	11	21.88%	7	0.00%	0
<b>Combination</b>	100.00%	4	0.00%	0	0.00%	0	0.00%	0
<b>Combination Activity Classes</b>	0.00%	0	0.00%	0	0.00%	0	0.00%	0

**Note:** The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 34 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

# EAST FELICIANA PARISH SCHOOL BOARD

KEISHA L. NETTERVILLE

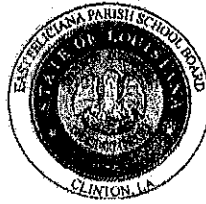
Superintendent

RICHARD TERRELL

President

225-683-8277 ~ 225-683-5420

225-683-5378



MITCHELL HARRELL

Vice President

FAX

225-683-3320

February 22, 2021

Postlethwaite & Netterville  
8550 United Plaza Blvd., Ste. 1001  
Baton Rouge, LA 70809

In response to your schedule of findings related to the audit for the year ended June 30, 2020, the East Feliciana Parish School District (District) has the following for your consideration:

#### **2020-1 – Documentation of Internal Controls over Purchase Orders**

This matter relates to purchase orders in the District's school food services area. The District will implement procedures similar to those used for this prior finding in our maintenance department. Since the matter was resolved in the maintenance department, the District believes similar procedures will resolve this finding.

This matter has been assigned to Ms. Susan Smith for resolution by March 31, 2021.

#### **2020-2 – Preparation of Schedule of Expenditure of Federal Awards (SEFA) timely filing of Federal Data Collection Form**

The District was unaware that the Temporary Assistance for Needy Families was no longer a federal program. This program has historically been reported as federally funded and reported as such on the District's SEFA. However, we are now aware of the Louisiana Department of Education's memorandum declaring the program non-federal for 2020. We will review the status of this program in 2021 for reporting purposes.

The federal data collection form was prepared and certified by the District in December 2019 for the fiscal year ended June 30, 2019. However, we understand that the auditor certification was not timely completed resulting in a delay in submission. We consider this matter isolated and will be resolved as 2020 will be filed timely.

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12732 SILLIMAN STREET  
P.O. BOX 397  
CLINTON, LOUISIANA 70722

The District has assigned Mr. Tommy LeJeune with Faulk & Winkler, LLC to address this matter which will be corrected for the 2021 fiscal year end audit by December 31, 2021.

**2020-3 – Special Tests and Provisions – Title I**

The District will implement procedures to enhance steps taken for determining a cohort graduation and documents required for a graduation index. Such procedures will be enhanced at the school level with collaboration from the central office.

This matter has been assigned to Ms. Susan Smith to be resolved immediately but no later than June 30, 2021.

**2020-4 – Level of Effort – Title I**

The District will review this matter with proper representatives with the Louisiana Department of Education (LDOE). Since the annual financial report is submitted in September and the audit is issued in December, any adjustments to financial records suggested by auditors is not reflected in the annual financial data previously submitted to LDOE. We will review revision procedures with LDOE officials.

This matter has been assigned to Ms. Jessica Rogillio for resolution by March 31, 2021.

**2020 – 5 – Cash management – Child nutrition**

Certain reports were filed with the LDOE for fiscal year ended June 30, 2020 that omitted certain obligations owed by the child nutrition program. The omission of these payables at year end overstated the program's financial position resulting in what appeared to be excess cash on hand. Future reports will be reviewed and approved by members of the District's financial team to ensure reporting is complete.

This matter has been assigned to Ms. Susan Smith for resolution by June 30, 2021.

Thank you for your efforts relating to our 2020 audit.

Sincerely,



Keisha Netterville,  
Superintendent

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