

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Financial Statements
Year Ended June 30, 2017

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INDEPENDENT AUDITORS' REPORT

Mr. Darwan Lazard, Superintendent,
and Members of the Evangeline Parish School Board
Ville Platte, 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 Evangeline Parish School Board (School Board), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, schedule of funding progress, employer's share of net pension liability, and employer contributions, (pages 46 - 51) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining and individual nonmajor and fiduciary fund statements and schedules required by state law are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

The schedules required by state law have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2017, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

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

Ville Platte, Louisiana
November 15, 2017

BASIC FINANCIAL STATEMENTS

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Statement of Net Position
June 30, 2017

	Governmental Activities
ASSETS	
Cash and interest-bearing deposits	\$ 25,453,520
Due from other governmental units	1,125,602
Inventories, at cost	75,453
Capital assets, net	<u>19,517,990</u>
Total assets	<u>46,172,565</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	<u>13,137,897</u>
LIABILITIES	
Accounts, salaries and other payables	6,236,216
Interest payable	100,524
Long-term liabilities:	
Portion due within one year -	
Bonds payable	1,273,000
Claims payable	46,750
Portion due after one year -	
Bonds payable	10,258,529
Claims payable	140,250
Compensated absences payable	1,558,362
Net OPEB obligation payable	26,315,290
Net pension liability	<u>69,445,879</u>
Total liabilities	<u>115,374,800</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	<u>2,283,643</u>
NET POSITION	
Net investment in capital assets	15,765,275
Restricted for:	
Teachers salaries and benefits	2,471,371
Capital projects	6,822,931
Debt service	786,128
Purpose of grantors	4,663,903
Unrestricted (deficit)	<u>(88,857,589)</u>
Total net position	<u>\$ (58,347,981)</u>

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Statement of Activities
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Governmental Activities
Governmental activities:				
Instruction:				
Regular programs	\$ 20,690,996	\$ -	\$ 267,062	\$ (20,423,934)
Special education programs	7,643,937	-	900,639	(6,743,298)
Vocational education programs	1,165,884	-	83,205	(1,082,679)
Other instructional programs	541,930	-	84,071	(457,859)
Special programs	2,874,557	-	2,529,713	(344,844)
Adult and continuing education programs	82,203	-	64,170	(18,033)
Support services:				
Pupil support	3,195,858	-	736,671	(2,459,187)
Instructional staff support	2,270,870	-	1,043,890	(1,226,980)
General administration	1,753,435	-	7,492	(1,745,943)
School administration	3,651,692	-	-	(3,651,692)
Business services	587,636	-	4,126	(583,510)
Plant services	5,456,709	-	39,093	(5,417,616)
Student transportation services	4,730,633	-	15,228	(4,715,405)
Central services	415,781	-	85,933	(329,848)
Non-instructional services:				
Food services	4,644,391	141,564	3,725,418	(777,409)
Community services	39,415	-	-	(39,415)
Facilities acquisition and construction	46,402	-	-	(46,402)
Interest on long-term debt	287,245	-	-	(287,245)
Total governmental activities	<u>\$ 60,079,574</u>	<u>\$ 141,564</u>	<u>\$ 9,586,711</u>	<u>(50,351,299)</u>
General revenues:				
Taxes-				
Property taxes, levied for general purposes				7,334,960
Property taxes, levied for debt service				461,947
Sales and use taxes, levied for general purposes				7,445,578
Grants and contributions not restricted to specific programs:				
State source - Minimum Foundation Program				35,510,717
State source - PIPS				11,858
State revenue sharing				205,719
Interest and investment earnings				117,768
Miscellaneous				320,512
Total general revenues				<u>51,409,059</u>
Change in net position				1,057,760
Net position - July 1, 2016				<u>(59,405,741)</u>
Net position - June 30, 2017				<u>\$ (58,347,981)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Balance Sheet - Governmental Funds
June 30, 2017

	General	Basile Construction	Other Governmental	Total
ASSETS				
Cash and interest-bearing deposits	\$ 11,546,876	\$ 7,778,814	\$ 6,127,830	\$ 25,453,520
Receivables:				
Due from other funds	910,589	-	-	910,589
Due from other governmental units	24,055	-	1,101,547	1,125,602
Inventories, at cost	-	-	75,453	75,453
Total assets	\$ 12,481,520	\$ 7,778,814	\$ 7,304,830	\$ 27,565,164
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 76,727	\$ -	\$ 75,912	\$ 152,639
Salaries and benefits payable	4,435,373	-	523,700	4,959,073
Contracts payable	-	1,048,340	76,164	1,124,504
Due to other funds	-	-	910,589	910,589
Total liabilities	4,512,100	1,048,340	1,586,365	7,146,805
Fund balances:				
Nonspendable	-	-	75,453	75,453
Restricted	2,471,371	6,730,474	5,643,012	14,844,857
Committed	1,926,706	-	-	1,926,706
Assigned	574,505	-	-	574,505
Unassigned	2,996,838	-	-	2,996,838
Total fund balances	7,969,420	6,730,474	5,718,465	20,418,359
Total liabilities and fund balances	\$ 12,481,520	\$ 7,778,814	\$ 7,304,830	\$ 27,565,164

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2017

Total fund balances for governmental funds at June 30, 2017		\$ 20,418,359
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 531,342	
Construction in progress	2,051,822	
Equipment and vehicles, net of \$1,774,039 accumulated depreciation	399,234	
Buildings and improvements, net of \$19,340,625 accumulated depreciation	<u>16,535,592</u>	19,517,990
Elimination of interfund assets and liabilities		
Due from other funds	910,589	
Due to other funds	<u>(910,589)</u>	-
The deferred outflows of expenditures for the teachers' retirement and school employees' retirement systems are not a use of current resources, and therefore, are not reported in the funds		
		13,137,897
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities at year end consist of:		
Interest payable	(100,524)	
Bonds payable	(11,531,529)	
Claims payable	(187,000)	
Compensated absences payable	<u>(1,558,362)</u>	(13,377,415)
Net OPEB obligation payable		(26,315,290)
Net pension liability		(69,445,879)
The deferred inflows of contributions for the teachers' retirement and school employees' retirement systems are not payable from current expendable resources and, therefore, are not reported in the funds.		
		<u>(2,283,643)</u>
Net position at June 30, 2017		<u>\$ (58,347,981)</u>

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2017

	General	Basile Construction	Other Governmental	Total
Revenues				
Parish sources:				
Ad valorem taxes	\$3,835,985	\$ -	\$3,960,922	\$ 7,796,907
Sales taxes	7,445,578	-	-	7,445,578
Other	<u>345,125</u>	<u>44,003</u>	<u>172,199</u>	<u>561,327</u>
Total parish sources	11,626,688	44,003	4,133,121	15,803,812
State sources	35,627,111	-	1,257,179	36,884,290
Federal sources	<u>26,762</u>	<u>-</u>	<u>8,422,470</u>	<u>8,449,232</u>
Total revenues	<u>47,280,561</u>	<u>44,003</u>	<u>13,812,770</u>	<u>61,137,334</u>
Expenditures				
Current:				
Instruction -				
Regular programs	19,366,278	-	254,580	19,620,858
Special education programs	6,488,069	-	800,020	7,288,089
Special programs	445,822	-	2,314,707	2,760,529
Adult and continuing education programs	12,786	-	64,170	76,956
Vocational education programs	1,028,008	-	83,205	1,111,213
Other instructional programs	409,882	-	106,555	516,437
Support services -				
Pupil support services	2,339,989	-	689,829	3,029,818
Instructional staff support services	1,086,088	-	1,064,842	2,150,930
General administration	1,606,279	-	115,844	1,722,123
School administration	3,459,461	-	-	3,459,461
Business services	561,216	-	4,126	565,342
Operation and maintenance of plant services	2,387,639	-	2,455,268	4,842,907
Student transportation services	4,711,388	-	18,313	4,729,701
Central services	316,515	-	93,283	409,798
Non-instructional services -				
Food services	392,254	-	4,184,226	4,576,480
Community services	39,415	-	-	39,415
Facilities acquisition and construction	145,845	1,723,406	228,973	2,098,224
Debt service:				
Principal retirement	-	-	1,559,000	1,559,000
Interest and fiscal charges	<u>1,475</u>	<u>-</u>	<u>295,032</u>	<u>296,507</u>
Total expenditures	<u>44,798,409</u>	<u>1,723,406</u>	<u>14,331,973</u>	<u>60,853,788</u>
Excess (deficiency) of revenues over expenditures	<u>2,482,152</u>	<u>(1,679,403)</u>	<u>(519,203)</u>	<u>283,546</u>
Other financing sources (uses)				
Transfers in	352,496	-	1,369,745	1,722,241
Transfers out	<u>(1,381,160)</u>	<u>-</u>	<u>(341,081)</u>	<u>(1,722,241)</u>
Total other financing sources (uses)	<u>(1,028,664)</u>	<u>-</u>	<u>1,028,664</u>	<u>-</u>
Net changes in fund balances	1,453,488	(1,679,403)	509,461	283,546
Fund balances, beginning	<u>6,515,932</u>	<u>8,409,877</u>	<u>5,209,004</u>	<u>20,134,813</u>
Fund balances, ending	<u>\$ 7,969,420</u>	<u>\$ 6,730,474</u>	<u>\$ 5,718,465</u>	<u>\$ 20,418,359</u>

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2017

Total net change in fund balances for year ended June 30, 2017 per the statement of revenues, expenditures and changes in fund balances		\$ 283,546
The change in net position reported for governmental activities in the statement of activities is different because:		
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.		
Facilities acquisition, construction costs and equipment which are considered expenditures on the statement of revenues, expenditures and changes in fund balance	\$2,340,969	
Depreciation expense	<u>(790,122)</u>	1,550,847
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		1,559,000
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are amortized in the statement of activities.		
Amortization of bond premium		17,029
Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds		
Increase in interest payable	(7,767)	
Decrease in compensated absences	58,661	
Increase in net OPEB obligation payable	<u>(2,940,938)</u>	(2,890,044)
Pension (expense) benefit not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure		<u>537,382</u>
Total change in net position for year ended June 30, 2017 per the statement of activities		<u>\$ 1,057,760</u>

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Statement of Fiduciary Assets and Liabilities
June 30, 2017

ASSETS

Cash and interest-bearing deposits	<u>\$636,383</u>
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LIABILITIES

School activity funds payable	<u>\$636,383</u>
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The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

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

The School Board operates twelve schools within the parish with a total enrollment of 5,984 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

A. Financial Reporting Entity

For financial reporting purposes, the School Board includes all funds and activities for which the School Board exercises financial accountability. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, the School Board is a separate governmental reporting entity, primary government.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the School Board, the primary government, as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the statement of fiduciary assets and liabilities at the fund financial statement level.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

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

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

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

The School Board reports the following major governmental funds:

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

The Basile Construction Capital Projects Fund accounts for the proceeds of the issuance of \$8,500,000 General Obligation Bonds, Series 2016, of School District No. 7, Parish of Acadia, Louisiana, and for the costs of constructing and improving schools.

Additionally, the School Board reports the following fund types:

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

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

Debt service funds - established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital projects funds - account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

Fiduciary funds - account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the School Board. The fund accounted for in this category is the agency fund. The agency fund is the School Activity Fund. This fund accounts for assets held by the School Board as an agent for the individual schools and school organizations.

C. Measurement Focus/ Basis of Accounting

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

Measurement Focus

In the government-wide statement of net position and the statement of activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. In the fund financial statements, the “current financial resources” measurement focus is used. Under this measurement focus, only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Program revenues

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

Allocation of indirect expenses

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

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed in December, by the Parish Assessor, based on the assessed value and become due on December 31st of each year. The taxes become delinquent on January 1st. An enforceable lien attaches to the property as of January 31st. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are recognized when levied to the extent that they result in current receivables. Such amounts are measurable and available to finance current operations.

Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Sales and use tax revenues are recorded in the month collected by the School Board. Substantially all other revenues are recorded when received.

Expenditures

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

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Principal and interest on general long-term obligations 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.

The fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, (or any other types, such as capital lease transactions, sales of capital assets, debt extinguishments, long-term debt proceeds, et cetera), are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand deposits, money market accounts, and time deposits of the School Board, which are stated at cost.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as ‘interfund receivables and payables.’ Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include federal and state grants.

Inventories

Inventory of the School Food Service Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing equipment and vehicles.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets’ estimated useful life using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Vehicles	5 years
Equipment	5-10 years
Buildings and improvements	20-40 years

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

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

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2002 were considered to be part of the cost of buildings and improvements. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other depreciable capital assets.

Compensated Absences

Twelve-month employees earn from 5 to 10 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave cannot be accumulated. All School Board employees earn from 10 to 12 days of sick leave each year, depending upon the number of months employed. Sick leave can be accumulated without limitation. Upon retirement or death, 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 is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Due to its restrictive nature, sabbatical leave benefits are recorded as expenditures in the period taken and no liability is recorded in advance of the sabbatical.

For fund financial statements, vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as noncurrent liabilities.

At June 30, 2017, employees of the School Board have accumulated and vested \$1,558,362 of sick leave benefits which are recorded as noncurrent liabilities in the government-wide statement of net position. No current fund liability has been recorded in the governmental funds.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Since the School Board doesn't have a proprietary fund, all School Board long-term debt is used in governmental fund operations.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2017, the School Board's deferred inflows and outflows of resources are attributable to its pension plans.

Equity Classifications

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

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) laws through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consist of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the School Board, which is the highest level of decision-making authority for the Evangeline Parish School Board.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the School Board’s adopted policy, only the School Board may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

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

E. Revenue Restrictions

The School Board has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Sales and use taxes	See Note 9
Ad valorem taxes	See Note 3

F. Use of Estimates

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the School Board has cash and interest-bearing deposits (book balances) totaling \$26,089,903 as follows:

	Governmental Activities	Fiduciary Funds	Total
Demand deposits	\$ 2,724,465	\$ 132,373	\$ 2,856,838
Time and savings deposits	22,729,055	504,010	23,233,065
Total	\$25,453,520	\$ 636,383	\$26,089,903

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2017, were secured as follows:

Bank balances	\$27,804,868
Federal deposit insurance	1,215,440
Pledged securities	26,589,428
Total	\$27,804,868

Deposits in the amount of \$26,589,428 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the School Board's name. The School Board does not have a policy for custodial credit risk.

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1st of each year. Taxes are levied in October and are billed to taxpayers in December. Billed taxes are due by December 31st, becoming delinquent on January 1st of the following year. The taxes are based on assessed values determined by the Tax Assessor and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions. For the year ended June 30, 2017, ad valorem taxes were levied on property with net assessed valuations totaling \$519,615,497 and were dedicated as follows:

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Parish wide taxes constitutional	4.50 mills
Special tax for salaries and benefits of teachers and other employees	9.99 mills
Maintenance taxes, by district:	
No. 2 Maintenance	11.96 mills
No. 7 Maintenance	12.23 mills
Improvement taxes, by school:	
Basile High School athletic department	1.98 mills
Basile District VII Bonds debt service	<u>11.75</u>
Total	<u>52.41</u> mills

Taxes remitted to the School Board amounted to \$7,796,907 for the year ending June 30, 2017.

(4) Receivables

Due from other governmental units of \$1,125,602 consists of the following at June 30, 2017:

State of Louisiana, Department of Education for various appropriations and reimbursements	\$1,085,127
Other receivables	<u>40,475</u>
Total	<u>\$1,125,602</u>

(5) Capital Assets

Capital assets balances and activity for the year ended June 30, 2017 are as follows:

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Capital assets not being depreciated:				
Land	\$ 531,342	\$ -	\$ -	\$ 531,342
Construction in progress	-	2,051,822	-	2,051,822
Other capital assets:				
Equipment and vehicles	2,079,474	93,799	-	2,173,273
Buildings and improvements	<u>35,680,869</u>	<u>195,348</u>	-	<u>35,876,217</u>
Totals	<u>38,291,685</u>	<u>2,340,969</u>	-	<u>40,632,654</u>
Less accumulated depreciation				
Equipment and vehicles	1,651,975	122,064	-	1,774,039
Buildings and improvements	<u>18,672,567</u>	<u>668,058</u>	-	<u>19,340,625</u>
Total accumulated depreciation	<u>20,324,542</u>	<u>790,122</u>	-	<u>21,114,664</u>
Net capital assets	<u>\$17,967,143</u>	<u>\$1,550,847</u>	<u>\$ -</u>	<u>\$19,517,990</u>

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

Special education programs	\$ 4,101
Vocational education programs	3,505
Special programs	2,000
Student transportation	5,625
Central services	1,089
Plant services	751,410
Food services	<u>22,392</u>
Total depreciation expense	<u>\$ 790,122</u>

(6) Accounts, Salaries, and Other Payables

At June 30, 2017, accounts, salaries, and other payables of \$6,236,216 consisted of the following:

Salaries and withholdings	\$ 4,959,073
Accounts payable	152,639
Contracts payable	<u>1,124,504</u>
Totals	<u>\$ 6,236,216</u>

(7) Long-Term Liabilities

The School Board issues general obligation bonds and Louisiana Qualified Zone Academy Bonds (QZAB), secured by ad valorem taxes and excess revenues, to provide for the acquisition and construction of major capital facilities. The bonds are liquidated by debt service funds. These bonds are direct obligations and pledge the full faith and credit of the Board and are generally issued as 20 or 30-year serial bonds. All of the School Board's long-term debt is associated with governmental activities. Long-term debt currently outstanding is as follows:

<u>Issued Amount</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
\$ 2,450,000	08/16/2014	03/01/2021	2.09	\$ 1,440,000
2,215,000	11/15/2012	08/01/2019	2.80	985,000
8,500,000	04/13/2016	03/01/2036	3.00	7,900,000
<u>3,000,000</u>	04/13/2010	12/15/2019	N/A	<u>900,000</u>
<u>\$ 16,165,000</u>				<u>\$ 11,225,000</u>

EVANGELINE PARISH SCHOOL BOARD
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Notes to Basic Financial Statements (Continued)

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

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017	Amount due in one year
Long-term debt:					
General obligation bonds	\$ 12,784,000	\$ -	\$ 1,559,000	\$ 11,225,000	\$ 1,273,000
Premium	<u>323,558</u>	<u>-</u>	<u>17,029</u>	<u>306,529</u>	<u>-</u>
Total bonds payable	13,107,558	-	1,576,029	11,531,529	1,273,000
Other liabilities:					
Claims payable	187,000	-	-	187,000	46,750
Compensated absences	<u>1,617,023</u>	<u>-</u>	<u>58,661</u>	<u>1,558,362</u>	<u>-</u>
	<u>\$ 14,911,581</u>	<u>\$ -</u>	<u>\$ 1,634,690</u>	<u>\$ 13,276,891</u>	<u>\$ 1,319,750</u>

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2018	\$ 1,273,000	\$ 290,154	\$ 1,563,154
2019	1,292,000	264,739	1,556,739
2020	1,320,000	238,752	1,558,752
2021	700,000	216,833	916,833
2022	340,000	199,200	539,200
2023 - 2027	1,905,000	834,900	2,739,900
2028 - 2032	2,270,000	527,700	2,797,700
2033 - 2037	<u>2,125,000</u>	<u>162,150</u>	<u>2,287,150</u>
	<u>\$ 11,225,000</u>	<u>\$ 2,734,428</u>	<u>\$ 13,959,428</u>

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

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions, during the year ended June 30, 2009, the School Board began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the School Board's future cash flows. Because the School Board adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

EVANGELINE PARISH SCHOOL BOARD
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Notes to Basic Financial Statements (Continued)

Plan Description: The Evangeline Parish School Board offers continuing health care and life insurance benefits for certain retired employees. Medical benefits are provided to employees upon actual retirement. Eligibility for medical coverage is based on the following: early retirement - 20 years of service at any age; 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Coverage is also provided to spouses of retirees who are currently receiving benefits. These benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO, with a premium structure by region. The OGB issues a separate financial report which is available at www.groupbenefits.org along with the plan provisions contained in the official plan documents of the OGB. The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes.

Funding Policy: The Evangeline Parish School Board recognizes the cost of providing post-employment medical and life benefits as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis. The monthly premiums for the health benefit are paid jointly by the employee and employer. The percentage of the premium paid by the School Board ranges from 19% to 75% depending on years of participation. Life insurance coverage under the OGB program is available to retirees by election. The employer pays 50% of the "cost" of the retiree life insurance.

Annual OPEB Cost: The School Board's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The School Board utilizes the level-dollar amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the School Board's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the School Board's net OPEB obligation:

Annual required contribution	\$ 7,326,939
Interest on net OPEB obligation	934,974
Adjustment to annual required contribution	<u>(1,617,473)</u>
Annual OPEB cost	6,644,440
Contributions made	<u>(3,703,502)</u>
Increase in net OPEB obligation	2,940,938
Net OPEB obligation - beginning of year	<u>23,374,352</u>
Net OPEB obligation - end of year	<u>\$26,315,290</u>

Evangeline Parish School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2017, 2016, and 2015 follows:

EVANGELINE PARISH SCHOOL BOARD
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Notes to Basic Financial Statements (Continued)

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	4.00%	\$5,409,294	51.4%	\$20,869,785
6/30/2016	4.00%	\$5,342,040	46.9%	\$23,374,352
6/30/2017	4.00%	\$6,644,440	55.7%	\$26,315,290

Funded Status and Funding Progress: The funded status of the plan as of June 30, 2017 was as follows:

Actuarial accrued liability (AAL)	\$83,985,351
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$83,985,351</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$21,591,086
UAAL as a percentage of covered payroll	389.0%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the School Board's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016 actuarial valuation, the projected unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

2. 60% of all employees who are eligible for retiree medical benefits and Medicare are assumed to elect medical coverage in retirement. For those who elect coverage, it is assumed that they will continue to be covered by the same plan as retirees that they were while active.
3. For actives it is assumed that husbands are three years older than their wives. 40% of active participants making it to retirement are assumed to be married and elect spouse medical coverage.
4. The medical inflation trend assumptions for medical and pharmacy costs are based on a graded schedule beginning with 6.80% annually, down to an annual rate of 4.60% for ten years out.
5. We have assumed that all future retirees have \$50,000 of life insurance and 30% of active employees are expected to retain life insurance upon retiring.

(9) Sales and Use Taxes

The School Board receives sales and use tax revenues as follows:

- A. On March 5, 2001, the voters of the parish approved a one percent perpetual sales and use tax to be levied by the School Board. The proceeds of the tax are used to supplement other revenues available to the School Board to pay salaries of teachers and other school employees, including the payment of benefits for teachers and other school employees in accordance with the proposed "Year 2001 Salary Increase Proposal".
- B. On May 20, 1967, the voters of the parish approved a one percent perpetual sales and use tax to be levied by the School Board. The proceeds of the tax are used to supplement other revenues available to the School Board to pay salaries of teachers and the expenses of operating the public schools of Evangeline Parish.

(10) Pension Plans

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

A. Teachers' Retirement System of Louisiana (TRSL)

Plan Description

Employees of the Evangeline Parish School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the TRSL. Chapter 2 of Title 11 of the Louisiana Revised Statutes (LA R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefits terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org. The Evangeline Parish School Board is a member of the regular plan.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes To the Financial Statements (Continued)

Retirement benefits

Normal retirement: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015 may retire with a 2.5% benefit factor after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Member hired between July 1, 1999 and December 21, 2010, are eligible for a 2.5% benefit factor at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit of 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% benefit factor at the earliest of age 60 with 5 years of service, or at any age with 20 years of service, and are eligible for a 2.5% benefit factor at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

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

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

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

Deferred Retirement Option Program (DROP)

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes To the Financial Statements (Continued)

Disability Benefits

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

Survivor Benefits

A surviving spouse with minor children of a deceased active member with at least five years of creditable service (2 years immediately prior to death) but less than 10 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the surviving spouse's benefit ceases.

A surviving spouse without minor children of a deceased active member with at least 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% benefit factor for all creditable service. If a surviving spouse remarries before the age of 55 and the deceased active member had less than 20 years of creditable service, the surviving spouse's benefit will cease.

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

Permanent Benefit Increases/Cost-of-Living Adjustments

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

Optional Retirement Plan (ORP)

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

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

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

Contributions

The employer contribution rate is established annually under LA R.S. 11:101 –11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2017 are as follows:

K-12 Regular Plan Contributions		ORP Contributions	
Employee	Employer	Employee	Employer
<u>8.0%</u>	<u>25.5%</u>	<u>8.0%</u>	<u>27.4%</u>

Contributions to the pension plan from the School Board were \$6,440,449 for the year ended June 30, 2017. In accordance with state statute, the System 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 a special funding situation. Contributions from non-employer contributing entities were \$211,769.

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

As of June 30, 2017, the School Board reported a liability of \$65,077,484 for its proportionate share the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of June 30, 2016, the School Board's proportion was 0.55447%, which was a decrease of 0.00392% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School Board recognized pension expense of \$6,663,043.

At June 30, 2017, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$1,284,811
Net difference between projected and actual earnings on pension plan investments	4,737,489	-
Change in proportion and differences between employer's contributions and proportionate share of contributions	883,997	487,342
Employer contributions subsequent to the measurement date	6,440,449	-
Total	\$12,061,935	\$1,772,153

Deferred outflows of resources of \$6,440,449 related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended			
6/30/2018		\$	154,556
6/30/2019			154,557
6/30/2020			2,309,058
6/30/2021			1,231,162
			\$3,849,333

Actuarial Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes To the Financial Statements (Continued)

Valuation Date	6/30/2016
Actuarial Cost Method	Entry Age Normal
Amortization approach	Closed
Actuarial Assumptions:	
Expected Remaining Service Lives	5 years
Investment Rate of Return	7.75% per annum
Inflation Rate	2.5% per annum
Salary Increases	Vary from 3.5% - 10.0% depending upon duration of service
Cost of Living Adjustments	None
Mortality Rates	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA
Termination and disability	Termination, disability, and retirement assumptions were projected based on a five year (2008-2012) experience study of the System's members.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008 and ending June 30, 2012.

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 8.23% for 2016. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	4.50%
International equity	5.31%
Domestic fixed income	2.45%
International fixed income	3.28%
Private equity	6.80%
Other private assets	4.82%

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	1.0% Decrease 6.75%	Current Discount Rate 7.75%	1.0% Increase 8.75%
Employer's proportionate share of the net pension liability	<u>\$81,171,541</u>	<u>\$65,077,484</u>	<u>\$51,382,529</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2016 Comprehensive Annual Financial Report at www.trsl.org.

B. Louisiana School Employees Retirement System (LSERS)

Plan Description

Employees of the Evangeline Parish School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana School Employees' Retirement System. The System was established and provided for by LA R.S. 11:1001. LSERS issues a publicly available financial report that can be obtained at www.lasers.net.

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

Membership is mandatory for all persons employed by a Louisiana parish or city school board who work more than twenty hours per week or for part-time employees who have ten years of creditable service in the System as a school bus driver, school janitor, school custodian, school maintenance employee, school bus aide or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

All temporary, seasonal and part-time employees as defined in Federal Regulations 26 CFR 31:3121(b)(7)-2 who have less than 10 years of creditable service are not eligible for membership in the System. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

Benefits Provided

Benefit provisions are authorized under Louisiana Revised Statutes 11:1141 – 11:1153. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

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

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

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

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

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

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

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

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

Contributions

Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. For the year ended June 30, 2017, the actual employer rate was 27.3% and the member' actual contribution rate was 7.5% or 8.0%, depending on date of hire. Contributions to the pension plan from the School Board were \$419,071 for the year ended June 30, 2017.

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

At June 30, 2017, the School Board reported a liability of \$4,368,395 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the School Board's proportion was 0.579096%, which was a decrease of 0.019219% from its proportion measured as of June 30, 2015.

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

For the year ended June 30, 2017, the School Board recognized pension expense of \$306,602.

At June 30, 2017, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 119,210
Changes of assumptions	103,488	115,460
Net difference between projected and actual earnings on pension plan investments	553,403	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	276,820
Employer contributions subsequent to the measurement date	419,071	-
Total	\$1,075,962	\$ 511,490

Deferred outflows of resources of \$419,071 related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	
6/30/2018	\$ (233,556)
6/30/2019	(30,396)
6/30/2020	250,095
6/30/2021	159,258
	\$ 145,401

Actuarial Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes To the Financial Statements (Continued)

Valuation Date	6/30/2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.125% per annum
Inflation Rate	2.625% per annum
Mortality Rates	RP-2000 Sex Distinct Mortality Table
Salary Increases	2008-2012 experience study, ranging from 3.075% to 5.375%.
Cost of Living Adjustments	The present value of future retirements benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values to not include provisions for potential future increases not yet authorized by the Board of Trustees.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2012.

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. The target allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	30.0%	1.82%
Equity	51.0%	3.10%
Alternatives	13.0%	0.79%
Real assets	6.0%	0.36%
Totals	100.0%	6.07%
Inflation		2.00%
Expected arithmetic nominal rate		8.07%

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

Discount Rate

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

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.125%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.125%) or one percentage-point higher (8.125%) than the current rate:

	1.0% Decrease 6.125%	Current Discount Rate 7.125%	1.0% Increase 8.125%
Employer's proportionate share of the net pension liability	<u>\$5,734,485</u>	<u>\$4,368,395</u>	<u>\$3,198,009</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued audit report issued on School Employees Retirement System financial statements for the year ended June 30, 2016. Access to the audit report can be found on the Office of the Louisiana Legislative Auditor's official website: www.la.state.la.us.

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

(11) Fund Balance

Fund balances are composed of the following as of June 30, 2017:

	General	Basile Construction	Other Governmental	Totals
Nonspendable:				
Inventory	\$ -	\$ -	\$ 75,453	\$ 75,453
Restricted:				
Sales tax	2,471,371	-	-	2,471,371
Special revenue funds	-	-	4,663,903	4,663,903
Debt retirement	-	-	886,652	886,652
Capital expenditures	-	6,730,474	92,457	6,822,931
Committed:				
Debt retirement	1,926,706	-	-	1,926,706
Assigned:				
Technology infrastructure	14,726	-	-	14,726
Privatization penalty	202,000	-	-	202,000
Repairs and maintenance for schools	93,374	-	-	93,374
Capital expenditures	235,329	-	-	235,329
Educational certifications/seminars	29,076	-	-	29,076
Unassigned	2,996,838	-	-	2,996,838
Total fund balances	<u>\$7,969,420</u>	<u>\$6,730,474</u>	<u>\$5,718,465</u>	<u>\$20,418,359</u>

(12) Compensation, Benefits, and Other Payments to Agency Head

A detail of compensation, benefits, and other payments to Superintendents, Toni Hamlin and Darwan Lazard for the year ended June 30, 2017 follows:

Purpose	Toni Hamlin	Darwan Lazard
Salary	\$ 90,592	\$ 57,866
Retirement	14,237	14,756
Health and life insurance	3,100	3,486
Mileage	343	1,195
Meals	68	159
Lodging	-	1,029
Registration fees and dues	450	1,854
Auto storage	-	70
	<u>\$ 108,790</u>	<u>\$ 80,415</u>

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

(13) Compensation of Board Members

Compensation paid to board members for the year ended June 30, 2017 follows:

Board Member	
Lonnie Sonnier	\$ 7,200
Bobby Deshotel	7,200
Wayne Dardeau	8,400
Peggy Forman	7,200
Darren Vidrine	7,800
Mike Fontenot	7,800
Christopher Dupuis	7,200
Wanda Skinner	7,800
Edward Limoges	7,200
Arthur Savoy	7,500
Nancy Hamlin	7,200
Ellis Guillory	7,200
Georgianna Wilson	7,500
	<u>\$97,200</u>

(14) Interfund Transactions

A. Interfund receivables and payables, by fund, at June 30, 2017 are as follows:

	Interfund Receivables	Interfund Payables
Major governmental funds:		
General Fund	\$910,589	\$ -
Nonmajor governmental funds	-	910,589
Total	\$910,589	\$910,589

The amounts due from the General Fund from various other funds are for amounts paid by master bank for expenditures of that fund, but which a transfer has not yet been received by the money market account.

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

B. Transfers consisted of the following at June 30, 2017:

	Transfers In	Transfers Out
Major governmental funds:		
General Fund	\$ 352,496	\$1,381,160
Non major governmental funds	1,369,745	341,081
Total	\$1,722,241	\$1,722,241

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(15) Commitments and Contingencies

A. Contingent Liabilities

At June 30, 2017, the School Board was not involved in any lawsuits that would have a material adverse effect on the School Board's financial position. Amounts owed for attorney fees relating to the school board's long-standing desegregation litigation in the amount of \$187,000 are recorded as long-term claims payable in the statement of net position.

B. Grant Audits

The School Board receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

(16) Risk Management

The School Board is exposed to risks of loss in areas of general and auto liability, property hazards and worker's compensation. These risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

EVANGELINE PARISH SCHOOL BOARD
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Notes To the Financial Statements (Continued)

(17) Tax Abatements

The Evangeline Parish School Board is subject to property tax abatements as follows:

A lease agreement between the Industrial Development Board and Pine Prairie Energy Center, LLC, in connection with, the issuance of the \$50,000,000 Industrial Development Revenue Bonds, allowed for the exemption of ad valorem taxes. This agreement, which was approved by the Evangeline Parish Police Jury, is for the inducement of economic development in Evangeline Parish. The tax exemption will continue for the term of the lease. For the year ended June 30, 2017 the School Board abated ad valorem tax in the amount of \$597,380.

The Industrial Ad Valorem Tax Exemption Program (ITEP) provided through the Louisiana Department of Economic Development, (authorized pursuant to Article VII, Part II, Section 21(F) of the Louisiana Constitution of 1974). This program authorizes the abatement of ad valorem taxes for a period of up to ten years on capital improvements and equipment related to manufacturing. The School Board abated property taxes to entities in the parish through the ITEP in the amount of \$323,478 for the year ended June 30, 2017.

(18) New Accounting Pronouncements

In June 2015, the GASB approved Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits other than Pensions". GASB Statement No. 75 replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions of GASB Statement No. 75 must be implemented by the School Board for the year ending June 30, 2018. The effect of implementation of these statements on the School Board's financial statements has not yet been determined.

**REQUIRED SUPPLEMENTARY
INFORMATION**

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Parish sources:				
Ad valorem taxes	\$ 3,625,000	\$ 3,834,721	\$ 3,835,985	\$ 1,264
Sales taxes	7,150,000	7,445,578	7,445,578	-
Interest earnings	40,000	43,130	43,130	-
Other	265,200	287,604	301,995	14,391
Total parish sources	<u>11,080,200</u>	<u>11,611,033</u>	<u>11,626,688</u>	<u>15,655</u>
State sources:				
Equalization	35,168,765	34,916,424	35,150,717	234,293
Other	468,768	476,394	476,394	-
Total state sources	<u>35,637,533</u>	<u>35,392,818</u>	<u>35,627,111</u>	<u>234,293</u>
Federal sources	-	24,752	26,762	2,010
Total revenues	<u>46,717,733</u>	<u>47,028,603</u>	<u>47,280,561</u>	<u>251,958</u>
Expenditures				
Current:				
Instruction -				
Regular programs	20,823,430	19,273,921	19,366,278	(92,357)
Special education programs	6,587,465	6,406,960	6,488,069	(81,109)
Special programs	539,641	443,963	445,822	(1,859)
Adult and continuing education programs	16,934	12,786	12,786	-
Vocational education programs	980,760	986,668	1,028,008	(41,340)
Other instructional programs	423,985	409,096	409,882	(786)
Support services -				
Pupil support services	2,480,374	2,334,342	2,339,989	(5,647)
Instructional staff support services	1,086,552	1,086,088	1,086,088	-
General administration	1,557,127	1,596,279	1,606,279	(10,000)
School administration	3,506,049	3,459,461	3,459,461	-
Business services	545,139	561,216	561,216	-
Operation and maintenance of plant services	2,453,540	2,387,639	2,387,639	-
Student transportation services	4,813,692	4,711,388	4,711,388	-
Central services	331,835	316,515	316,515	-
Non-instructional services:				
Food services	6,509	392,254	392,254	-
Community services	39,415	39,415	39,415	-
Facilities acquisition and construction	-	-	145,845	(145,845)
Debt service -				
Interest and fiscal charges	1,925	1,475	1,475	-
Total expenditures	<u>46,194,372</u>	<u>44,419,466</u>	<u>44,798,409</u>	<u>(378,943)</u>
Excess of revenues over expenditures	<u>523,361</u>	<u>2,609,137</u>	<u>2,482,152</u>	<u>(126,985)</u>
Other financing sources (uses)				
Transfers in	3,350,000	342,268	352,496	10,228
Transfers out	(3,728,283)	(1,381,009)	(1,381,160)	(151)
Total other financing sources (uses)	<u>(378,283)</u>	<u>(1,038,741)</u>	<u>(1,028,664)</u>	<u>10,077</u>
Change in fund balance	145,078	1,570,396	1,453,488	(116,908)
Fund balance, beginning	<u>6,036,521</u>	<u>6,515,932</u>	<u>6,515,932</u>	<u>-</u>
Fund balance, ending	<u>\$ 6,181,599</u>	<u>\$ 8,086,328</u>	<u>\$ 7,969,420</u>	<u>\$ (116,908)</u>

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Funding Progress
For the Year Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2012	\$ -	\$ 74,400,637	\$ 74,400,637	0.0%	\$22,566,097	329.7%
July 1, 2014	\$ -	\$ 63,822,271	\$ 63,822,271	0.0%	\$22,498,839	283.7%
July 1, 2016	\$ -	\$ 83,985,351	\$ 83,985,351	0.0%	\$21,591,086	389.0%

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Employer's Share of Net Pension Liability
Teachers' Retirement System of Louisiana
For the Year Ended June 30, 2017 *

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.59760%	\$61,083,086	\$27,213,648	224.5%	63.70%
2016	0.55839%	\$60,039,211	\$26,424,814	227.2%	62.50%
2017	0.55447%	\$65,077,484	\$26,588,040	244.8%	59.90%

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

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Employer's Share of Net Pension Liability
Louisiana School Employees' Retirement System
For the Year Ended June 30, 2017 *

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.65720%	\$3,961,314	\$1,834,271	216.0%	76.18%
2016	0.598315%	\$3,794,077	\$1,670,648	227.1%	74.49%
2017	0.579096%	\$4,368,395	\$1,649,389	264.8%	70.09%

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

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Employer Contributions
Teachers' Retirement System of Louisiana
For the Year Ended June 30, 2017

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$7,398,948	\$7,398,948	\$ -	\$26,424,814	28.00%
2016	\$6,992,655	\$6,992,655	\$ -	\$26,588,040	26.30%
2017	\$6,440,449	\$6,440,449	\$ -	\$25,249,907	25.51%

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

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana

Schedule of Employer Contributions
 Louisiana School Employees' Retirement System
 For the Year Ended June 30, 2017

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 551,314	\$ 551,314	\$ -	\$ 1,670,648	33.00%
2016	\$ 498,115	\$ 498,115	\$ -	\$ 1,649,389	30.20%
2017	\$ 419,071	\$ 419,071	\$ -	\$ 1,535,060	27.30%

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to the Required Supplementary Information
For the Year Ended June 30, 2016

(1) Budget and Budgetary Accounting

The proposed budget for 2017 was completed and made available for public inspection at the School Board office prior to the required public hearing held for suggestions and comments from taxpayers. The School Board formally adopted the proposed fiscal year 2017 budget on September 7, 2016. In accordance with R.S.17:88(A), parish school boards must adopt the budget no later than September fifteenth of each year. The budget, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds, was published in the official journal ten days prior to the public hearing.

The budgets for the General and Special Revenue Funds for the fiscal year were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. With the exception of multi-year projects in the capital projects funds, appropriations lapse at the end of each fiscal year. The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds. The Superintendent and/or Chief Finance Officer are authorized to transfer budget amounts within each fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

(2) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations totaling \$378,943 for the year ended June 30, 2017.

(3) Retirement Systems

A. Teachers' Retirement System of Louisiana

Change of benefit terms: 1.5% COLA, effective July 1, 2014 proved by Act 204 of the 2014 Louisiana Regular Legislative Session. There were no changes of assumptions for the year ended June 30, 2017.

B. Louisiana School Employees' Retirement System

There were no changes of benefit terms or changes of assumptions for the year ended June 30, 2017.

OTHER SUPPLEMENTARY INFORMATION

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Governmental Funds

Combining Balance Sheet - By Fund Type
 June 30, 2017

	Special Revenue	Debt Service	Capital Projects	Totals
ASSETS				
Cash and interest-bearing deposits	\$ 5,150,441	\$ 884,932	\$ 92,457	\$ 6,127,830
Receivables:				
Due from other governmental units	1,099,827	1,720	-	1,101,547
Inventories, at cost	75,453	-	-	75,453
Total assets	\$ 6,325,721	\$ 886,652	\$ 92,457	\$ 7,304,830
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 75,912	\$ -	\$ -	\$ 75,912
Salaries and benefits payable	523,700	-	-	523,700
Contracts payable	76,164	-	-	76,164
Due to other funds	910,589	-	-	910,589
Total liabilities	1,586,365	-	-	1,586,365
Fund balances:				
Nonspendable	75,453	-	-	75,453
Restricted	4,663,903	886,652	92,457	5,643,012
Total fund balances	4,739,356	886,652	92,457	5,718,465
Total liabilities and fund balances	\$ 6,325,721	\$ 886,652	\$ 92,457	\$ 7,304,830

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - By Fund Type
 For the Year Ended June 30, 2017

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
Revenues				
Parish sources -				
Ad valorem taxes	\$ 3,498,975	\$ 461,947	\$ -	\$ 3,960,922
Other	144,700	27,499	-	172,199
State sources	1,257,179	-	-	1,257,179
Federal sources	<u>8,422,470</u>	<u>-</u>	<u>-</u>	<u>8,422,470</u>
Total revenues	<u>13,323,324</u>	<u>489,446</u>	<u>-</u>	<u>13,812,770</u>
Expenditures				
Current:				
Instruction -				
Regular programs	254,580	-	-	254,580
Special education programs	800,020	-	-	800,020
Special programs	2,314,707	-	-	2,314,707
Adult and continuing education programs	64,170	-	-	64,170
Vocational education programs	83,205	-	-	83,205
Other instructional programs	106,555	-	-	106,555
Support services -				
Pupil support services	689,829	-	-	689,829
Instructional staff support services	1,064,842	-	-	1,064,842
General administration	115,844	-	-	115,844
Business services	4,126	-	-	4,126
Operation and maintenance of plant services	2,455,268	-	-	2,455,268
Student transportation	18,313	-	-	18,313
Central services	93,283	-	-	93,283
Non-instructional services -				
Food services	4,184,226	-	-	4,184,226
Facilities acquisition and construction	99,863	-	129,110	228,973
Debt service:				
Principal retirement	-	1,559,000	-	1,559,000
Interest and fiscal charges	<u>-</u>	<u>295,032</u>	<u>-</u>	<u>295,032</u>
Total expenditures	<u>12,348,831</u>	<u>1,854,032</u>	<u>129,110</u>	<u>14,331,973</u>
Excess (deficiency) of revenues over expenditures	<u>974,493</u>	<u>(1,364,586)</u>	<u>(129,110)</u>	<u>(519,203)</u>
Other financing sources (uses)				
Transfers in	368,462	1,001,283	-	1,369,745
Transfers out	<u>(341,081)</u>	<u>-</u>	<u>-</u>	<u>(341,081)</u>
Total other financing sources (uses)	<u>27,381</u>	<u>1,001,283</u>	<u>-</u>	<u>1,028,664</u>
Change in fund balance	1,001,874	(363,303)	(129,110)	509,461
Fund balances, beginning	<u>3,737,482</u>	<u>1,249,955</u>	<u>221,567</u>	<u>5,209,004</u>
Fund balances, ending	<u>\$ 4,739,356</u>	<u>\$ 886,652</u>	<u>\$ 92,457</u>	<u>\$ 5,718,465</u>

NONMAJOR SPECIAL REVENUE FUNDS

Parishwide and Basile Maintenance Funds

To account for receipt and use of the proceeds of ad valorem taxes levied for the purpose of maintaining and improving the schools within each district and the proceeds of state revenue received.

Basile High School Athletic Fund

To account for the receipt and use of proceeds of ad valorem taxes levied for the operation and maintenance of the Basile High School athletic department.

8G Programs

To account for funds from state sources to provide a computer based introduction to writing and reading for grades K and 1 in all elementary schools in the parish.

Temporary Assistance for Needy Families

To account for funds from federal sources for the purpose of providing students with an avenue for achieving academically and earning credentials that will make it possible for them to exit high school and enter postsecondary education and/or the workforce.

Rural Education Achievement

To account for funds from federal sources to provide assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.

Adult Education

To account for funds from federal and state sources utilized to provide instruction to adults working toward a high school diploma and to provide continuing education courses.

Improving Teacher Quality

To account for federal funds provided to increase the academic achievement of students by helping schools to improve teacher and principal quality and to ensure that all teachers are highly qualified.

Special Education

Special education funds are federally financed programs of free education in the least restricted environment in children with exceptionalities.

School Food Service

To account for funding which provides nourishing morning and noon meals for students in all grades. This fund is supplemented by both federal and state funds that are based on reimbursement and participation.

Vocational Education

To account for state allocated federal funds to assist and conduct vocational education programs for persons who desire and need education and training for employment.

(continued)

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Medicaid

To account for state funds to provide medical assistance for students.

Education Excellence

To account for state tobacco funds used to improve the schools math instructional programs for grades K-8.

Child Care and Development Block Grant

To account for funds from federal and state sources used to prepare our youngest learners for Kindergarten.

Title I

To account for grant revenues to be used for educationally deprived children.

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet
 June 30, 2017

	Parishwide Maintenance	Basile Maintenance	Basile High School Athletic	8G Programs	TANF	Rural Education Achievement
ASSETS						
Cash and interest-bearing deposits	\$ 2,030,781	\$ 766,504	\$ 151,948	\$ 7,611	\$ -	\$ -
Receivables	12,619	1,791	290	-	146,701	14,640
Inventories, at cost	-	-	-	-	-	-
Total assets	<u>\$ 2,043,400</u>	<u>\$ 768,295</u>	<u>\$ 152,238</u>	<u>\$ 7,611</u>	<u>\$ 146,701</u>	<u>\$ 14,640</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 46,630	\$ 9,571	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	3,524	7,611	59,348	-
Contracts payable	76,164	-	-	-	-	-
Due to other funds	-	-	-	-	87,353	14,640
Total liabilities	<u>122,794</u>	<u>9,571</u>	<u>3,524</u>	<u>7,611</u>	<u>146,701</u>	<u>14,640</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	1,920,606	758,724	148,714	-	-	-
Total fund balances	<u>1,920,606</u>	<u>758,724</u>	<u>148,714</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,043,400</u>	<u>\$ 768,295</u>	<u>\$ 152,238</u>	<u>\$ 7,611</u>	<u>\$ 146,701</u>	<u>\$ 14,640</u>

(continued)

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet (Continued)
 June 30, 2017

	Adult Education	Improving Teacher Quality	Special Education	School Food Service	Vocational Education
ASSETS					
Cash and interest-bearing deposits	\$ -	\$ -	\$ 2,998	\$ 1,777,796	\$ -
Receivables	38,267	115,257	308,519	24,526	45,770
Inventories, at cost	-	-	-	75,453	-
Total assets	<u>\$ 38,267</u>	<u>\$ 115,257</u>	<u>\$ 311,517</u>	<u>\$ 1,877,775</u>	<u>\$ 45,770</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 13,211	\$ -	\$ -
Salaries and benefits payable	-	29,351	44,600	205,082	-
Contracts payable	-	-	-	-	-
Due to other funds	38,267	85,906	253,706	-	45,770
Total liabilities	<u>38,267</u>	<u>115,257</u>	<u>311,517</u>	<u>205,082</u>	<u>45,770</u>
Fund balances:					
Nonspendable	-	-	-	75,453	-
Restricted	-	-	-	1,597,240	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,672,693</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 38,267</u>	<u>\$ 115,257</u>	<u>\$ 311,517</u>	<u>\$ 1,877,775</u>	<u>\$ 45,770</u>

(continued)

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet (Continued)
 June 30, 2017

ASSETS	Medicaid	Education Excellence	Child Care Development Block Grant	Title I	Total
Cash and interest-bearing deposits	\$ 106,193	\$ 174,060	\$ -	\$ 132,550	\$ 5,150,441
Receivables	-	-	2,137	389,310	1,099,827
Inventories, at cost	-	-	-	-	75,453
Total assets	<u>\$ 106,193</u>	<u>\$ 174,060</u>	<u>\$ 2,137</u>	<u>\$ 521,860</u>	<u>\$ 6,325,721</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 6,500	\$ 75,912
Salaries and benefits payable	41,634	-	-	132,550	523,700
Contracts payable	-	-	-	-	76,164
Due to other funds	-	-	2,137	382,810	910,589
Total liabilities	<u>41,634</u>	<u>-</u>	<u>2,137</u>	<u>521,860</u>	<u>1,586,365</u>
Fund balances:					
Nonspendable	-	-	-	-	75,453
Restricted	64,559	174,060	-	-	4,663,903
Total fund balances	<u>64,559</u>	<u>174,060</u>	<u>-</u>	<u>-</u>	<u>4,739,356</u>
Total liabilities and fund balances	<u>\$ 106,193</u>	<u>\$ 174,060</u>	<u>\$ 2,137</u>	<u>\$ 521,860</u>	<u>\$ 6,325,721</u>

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2017

	Parishwide Maintenance	Basile Maintenance	Basile High School Athletic	8G Programs	TANF	Rural Education Achievement
Revenues						
Parish sources:						
Taxes -						
Ad valorem	\$ 2,920,891	\$ 497,535	\$ 80,549	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-	-	-
Other	-	-	-	-	-	-
State sources:						
Equalization	-	-	-	-	-	-
Other	-	-	-	104,689	205,132	-
Federal sources						
Total revenues	<u>2,920,891</u>	<u>497,535</u>	<u>80,549</u>	<u>104,689</u>	<u>498,840</u>	<u>109,705</u>
Expenditures						
Current:						
Instruction -						
Regular programs	182,920	35,112	36,548	-	-	-
Special education programs	-	-	-	-	-	-
Special programs	-	-	-	104,689	455,432	93,523
Adult and continuing education programs	-	-	-	-	-	-
Vocational education programs	-	-	-	-	-	-
Other instructional programs	6,515	-	30,172	-	-	-
Support services -						
Pupil support services	-	-	-	-	-	-
Instructional staff services	-	-	-	-	64,360	2,082
General administration	89,229	17,216	1,907	-	-	-
Business services	-	-	-	-	-	-
Operation and maintenance of plant services	2,080,760	329,489	3,768	-	-	-
Student transportation	-	-	-	-	-	-
Central services	7,350	-	-	-	-	5,798
Non-instructional services -						
Food services	-	-	-	-	-	-
Facilities acquisition and construction						
Total expenditures	<u>2,466,637</u>	<u>381,817</u>	<u>72,395</u>	<u>104,689</u>	<u>519,792</u>	<u>101,403</u>
Excess (deficiency) of revenues over expenditures	<u>454,254</u>	<u>115,718</u>	<u>8,154</u>	<u>-</u>	<u>(20,952)</u>	<u>8,302</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	20,952	-
Transfers out	(23,467)	(1,152)	-	-	-	(8,302)
Total other financing sources (uses)	<u>(23,467)</u>	<u>(1,152)</u>	<u>-</u>	<u>-</u>	<u>20,952</u>	<u>(8,302)</u>
Change in fund balance	430,787	114,566	8,154	-	-	-
Fund balances, beginning	<u>1,489,819</u>	<u>644,158</u>	<u>140,560</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,920,606</u>	<u>\$ 758,724</u>	<u>\$ 148,714</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
For the Year Ended June 30, 2017

	Adult Education	Improving Teacher Quality	Special Education	School Food Service	Vocational Education
Revenues					
Parish sources:					
Taxes -					
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	3,136	-
Other	-	-	-	141,564	-
State sources:					
Equalization	-	-	-	360,000	-
Other	49,183	-	-	-	-
Federal sources	<u>35,092</u>	<u>522,794</u>	<u>1,411,774</u>	<u>3,725,418</u>	<u>84,411</u>
Total revenues	<u>84,275</u>	<u>522,794</u>	<u>1,411,774</u>	<u>4,230,118</u>	<u>84,411</u>
Expenditures:					
Current:					
Instruction -					
Regular programs	-	-	-	-	-
Special education programs	-	-	796,917	-	-
Special programs	-	396,853	288	-	-
Adult and continuing education programs	64,170	-	-	-	-
Vocational education programs	-	-	-	-	83,205
Other instructional programs	-	-	-	-	-
Support services -					
Pupil support services	-	-	298,507	-	-
Instructional staff services	5,267	11,338	186,617	-	-
General administration	-	-	3,572	-	1,206
Business services	-	-	3,354	-	-
Operation and maintenance of plant services	14,838	-	4,122	2,158	-
Student transportation	-	-	15,228	3,085	-
Central services	-	75,035	2,550	-	-
Non-instructional services -					
Food services	-	-	-	4,184,226	-
Facilities acquisition and construction	-	-	-	-	-
Total expenditures	<u>84,275</u>	<u>483,226</u>	<u>1,311,155</u>	<u>4,189,469</u>	<u>84,411</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>39,568</u>	<u>100,619</u>	<u>40,649</u>	<u>-</u>
Other financing sources (uses)					
Transfers in	-	-	836	346,674	-
Transfers out	<u>-</u>	<u>(39,568)</u>	<u>(101,456)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(39,568)</u>	<u>(100,620)</u>	<u>346,674</u>	<u>-</u>
Change in fund balance	-	-	(1)	387,323	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>1</u>	<u>1,285,370</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,672,693</u>	<u>\$ -</u>

(continued)

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 For the Year Ended June 30, 2017

	Medicaid	Education Excellence	Child Care Development Block Grant	Title I	Total
Revenues					
Parish sources:					
Taxes -					
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 3,498,975
Interest earnings	-	-	-	-	3,136
Other	-	-	-	-	141,564
State sources:					
Equalization	-	-	-	-	360,000
Other	443,148	87,879	7,148	-	897,179
Federal sources	-	-	8,775	2,230,793	8,422,470
Total revenues	<u>443,148</u>	<u>87,879</u>	<u>15,923</u>	<u>2,230,793</u>	<u>13,323,324</u>
Expenditures:					
Current:					
Instruction -					
Regular programs	-	-	-	-	254,580
Special education programs	3,103	-	-	-	800,020
Special programs	-	-	7,061	1,256,861	2,314,707
Adult and continuing education programs	-	-	-	-	64,170
Vocational education programs	-	-	-	-	83,205
Other instructional programs	-	69,868	-	-	106,555
Support services -					
Pupil support services	391,322	-	-	-	689,829
Instructional staff services	1,881	3,808	5,426	784,063	1,064,842
General administration	-	-	2,664	50	115,844
Business services	-	-	772	-	4,126
Operation and maintenance of plant services	-	-	-	20,133	2,455,268
Student transportation	-	-	-	-	18,313
Central services	-	-	-	2,550	93,283
Non-instructional services -					
Food services	-	-	-	-	4,184,226
Facilities acquisition and construction	-	-	-	-	99,863
Total expenditures	<u>396,306</u>	<u>73,676</u>	<u>15,923</u>	<u>2,063,657</u>	<u>12,348,831</u>
Excess (deficiency) of revenues over expenditures	<u>46,842</u>	<u>14,203</u>	<u>-</u>	<u>167,136</u>	<u>974,493</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	368,462
Transfers out	-	-	-	(167,136)	(341,081)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(167,136)</u>	<u>27,381</u>
Change in fund balance	46,842	14,203	-	-	1,001,874
Fund balances, beginning	<u>17,717</u>	<u>159,857</u>	<u>-</u>	<u>-</u>	<u>3,737,482</u>
Fund balances, ending	<u>\$ 64,559</u>	<u>\$ 174,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,739,356</u>

NONMAJOR CAPITAL PROJECT FUNDS

School District No. 4

To account for funds remaining in the District No. 4 Sinking Fund after payment of the outstanding balance on the 2001 general obligations bonds. These remaining funds were transferred to the School District No. 4 capital projects fund to be used in accordance with the original bond proposition.

Technology Upgrade

To account for the financing and costs of a turnkey solution for data distribution, including servers, external and internal wiring, switches, and related equipment, and paying the costs of issuance of the Bonds provided through the issuance of the \$2,450,000 Limited Tax Revenue Bonds, Series 2014.

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Capital Project Funds

Combining Balance Sheet
 June 30, 2017

	<u>School District No. 4</u>	<u>Technology Upgrade</u>	<u>Total</u>
ASSETS			
Interest-bearing deposits	<u>\$92,457</u>	<u>\$ -</u>	<u>\$ 92,457</u>
FUND BALANCES			
Fund balances: Restricted	<u>\$92,457</u>	<u>\$ -</u>	<u>\$ 92,457</u>

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Capital Project Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2017

	<u>School District No. 4</u>	<u>Technology Upgrade</u>	<u>Total</u>
Expenditures:			
Facilities acquisition and construction	\$ 556	\$ 128,554	\$ 129,110
Fund balances, beginning	<u>93,013</u>	<u>128,554</u>	<u>221,567</u>
Fund balances, ending	<u>\$ 92,457</u>	<u>\$ -</u>	<u>\$ 92,457</u>

NONMAJOR DEBT SERVICE FUNDS

District 7 Sinking Fund

To accumulate monies for the payment of the 2016 general obligation school bonds of School District No. 7, which are serial bonds due in annual installments, plus interest, through maturity in 2036.

2010 QZAB Sinking

To accumulate monies for the payment of the \$3,000,000 Taxable Certificates of Indebtedness (Qualified Zone Academy Bond), Series 2010, which is due in one total payment on maturity date in 2019. Debt service is financed by the excess annual revenues in the General Fund. The School Board has chosen to pay this debt annually.

Technology Upgrade Limited Tax Revenue Bonds

To accumulate monies for the payment of the \$2,450,000 Limited Tax Revenue Bonds, Series 2014, which are serial bonds due in annual installments, plus interest, through maturity in 2021. Debt service is financed by the excess annual revenues in the General Fund.

Reorganization Sinking Fund

To accumulate monies for the payment of the \$4,000,000 School Improvement Bonds, Series 2004 which are serial bonds due in annual installments, plus interest, through maturity in 2019. Debt service is financed by the excess annual revenues in the General Fund.

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Debt Service Funds

Combining Balance Sheet
 June 30, 2017

	School District No. 7	2010 QZAB Sinking	Technology Upgrade Sinking	Reorganization Sinking	Total
ASSETS					
Interest-bearing deposits	\$ 884,932	\$ -	\$ -	\$ -	\$ 884,932
Receivables	<u>1,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,720</u>
	<u>\$ 886,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,652</u>
FUND BALANCES					
Fund balances:					
Restricted	<u>\$ 886,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,652</u>

EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2017

	<u>School District No. 7</u>	<u>2010 QZAB Sinking</u>	<u>Technology Upgrade Sinking</u>	<u>Reorganization Sinking</u>	<u>Total</u>
Revenues:					
Parish sources -					
Taxes:					
Ad valorem	\$ 461,947	\$ -	\$ -	\$ -	\$ 461,947
Interest earnings	-	27,499	-	-	27,499
Total revenues	<u>461,947</u>	<u>27,499</u>	<u>-</u>	<u>-</u>	<u>489,446</u>
Expenditures:					
Debt service -					
Principal	600,000	300,000	345,000	314,000	1,559,000
Interest	225,250	-	37,306	31,976	294,532
Paying agent fees	-	-	500	-	500
Total expenditures	<u>825,250</u>	<u>300,000</u>	<u>382,806</u>	<u>345,976</u>	<u>1,854,032</u>
Deficiency of revenues over expenditures	(363,303)	(272,501)	(382,806)	(345,976)	(1,364,586)
Other financing sources:					
Transfers in	-	272,501	382,806	345,976	1,001,283
Change in fund balance	(363,303)	-	-	-	(363,303)
Fund balances, beginning	<u>1,249,955</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,249,955</u>
Fund balances, ending	<u>\$ 886,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,652</u>

FIDUCIARY FUNDS

AGENCY FUNDS

School Activity Funds

To account for individual school monies on deposit in various bank accounts. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana
Fiduciary Funds
Agency Funds
School Activity Funds

Statement of Fiduciary Assets and Liabilities
June 30, 2017

ASSETS

Cash and interest-bearing deposits	<u>\$636,383</u>
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LIABILITIES

School activity funds payable	<u>\$636,383</u>
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EVANGELINE PARISH SCHOOL BOARD
 Ville Platte, Louisiana
 Fiduciary Funds
 Agency Funds
 School Activity Funds

Schedule of Changes in Deposits Due to Others
 For the Year Ended June 30, 2017

School	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Basile High	\$ 59,784	\$ 198,778	\$ 198,474	\$ 60,088
Bayou Chicot Elementary	144,675	158,771	175,675	127,771
Chataignier Elementary	17,526	64,656	68,093	14,089
Evangeline Central	2,637	4,898	4,679	2,856
Mamou High	114,836	420,525	451,211	84,150
Mamou Elementary	36,070	94,046	95,378	34,738
Pine Prairie High	105,862	318,001	320,854	103,009
Vidrine Elementary	27,684	53,753	52,076	29,361
Ville Platte High	95,307	243,860	276,676	62,491
Ville Platte Elementary	65,122	42,731	46,869	60,984
James Stephens Montessori	24,791	52,383	42,813	34,361
W. W. Stewart Elementary	22,726	50,274	50,515	22,485
 Total balances	 <u>\$ 717,020</u>	 <u>\$ 1,702,676</u>	 <u>\$ 1,783,313</u>	 <u>\$ 636,383</u>

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

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

Mr. Darwan Lazard, Superintendent,
and Members of the Evangeline Parish School Board
Ville Platte, 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 Evangeline Parish School Board (School Board), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated November 15, 2017.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Ville Platte, Louisiana
November 15, 2017

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

Mr. Darwan Lazard, Superintendent,
and Members of the Evangeline Parish School Board
Ville Platte, Louisiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Evangeline 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 each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

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

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

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

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

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

Ville Platte, Louisiana
November 15, 2017

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	Pass-through Identifying Number	CFDA Number	Federal Expenditures
<u>United States Department of Education</u>			
Passed-Through State Department of Education:			
Special Education Cluster:			
Special Education-Grants to States	28-17-BI-20	84.027	\$1,373,226
Special Education Pre-school Grants	28-17-P1-20	84.173	<u>38,548</u>
Total Special Education cluster			1,411,774
Adult Education-Basic Grants to States	-	84.002	35,092
Title I Grants to Local Educational Agencies	28-17-T1-20	84.010	2,230,793
Career and Technical Education -Basic Grants to States	28-17-02-20	84.048	84,411
Rural Education	28-16-RE-20	84.358	109,705
Education for Homeless Children and Youth	28-17-H1-20	84.196	2,010
Improving Teacher Quality State Grants	28-17-50-20	84.367	<u>522,794</u>
Total Department of Education			<u>4,396,579</u>
<u>United States Department of Agriculture</u>			
Passed-Through State Department of Education:			
School Breakfast Program	-	10.553	904,768
National School Lunch Program	-	10.555	2,799,650
Child Nutrition Discretionary Grants Limited Availability	-	10.579	<u>21,000</u>
Total Department of Agriculture			<u>3,725,418</u>
<u>Department of Homeland Security</u>			
Passed-Through Homeland Security and Emergency Preparedness:			
Disaster Grants - Public Assistance	-	97.036	<u>24,752</u>
<u>United States Department of Health and Human Services</u>			
Passed-Through Office of Family Support:			
Temporary Assistance for Needy Families	28-17-36-20	93.558	293,708
Child Care Development Block Grant	28-16-CO-20	93.575	<u>8,775</u>
Total Department of Health and Human Services			<u>302,483</u>
Total expenditures of federal awards			<u>\$8,449,232</u>

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Evangeline Parish School Board under programs of the federal government for the year ended 6/30/2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Evangeline Parish School Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Evangeline Parish School Board.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Evangeline Parish School Board has not elected to use the 10 percent *de minimus* indirect cost rate as allowed under the Uniform Guidance.

(3) Commodities

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received. At June 30, 2017, the School Board had \$75,453 of commodities inventory.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2017

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Evangeline Parish School Board were prepared in accordance with GAAP.
2. There were no significant deficiencies or material weaknesses in internal control disclosed by the audit of the basic financial statements.
3. There were no instances of noncompliance material to the financial statements which would be required to be reported in accordance with *Government Auditing Standards*.
4. No significant deficiencies in internal control over major federal award programs were disclosed by the audit of the basic financial statements.
5. The auditor's report on compliance for the major federal award program expresses an unmodified opinion on the major federal program.
6. The audit disclosed no findings required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as a major program was:
Title I Grants to Local Educational Agencies, CFDA #84.010
8. The threshold used for distinguishing between Type A and Type B programs was \$750,000.
9. The Evangeline Parish School Board did qualify as a low-risk auditee.

Part II. Findings – Financial Statement Audit

A. Compliance Findings –

There were no compliance findings noted.

B. Internal Control Findings –

There were no internal control findings noted.

(continued)

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2017

Part III. Findings and questioned costs – Major Federal Award Programs Audit

There are no findings that are required to be reported under the above guidance.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date of Completion
CURRENT YEAR (06/30/17) --						
		<u>Internal Control</u>				
		There were no internal control findings noted.				
		<u>Compliance</u>				
		There were no compliance findings noted.				
PRIOR YEAR (06/30/16) --						
		<u>Internal Control</u>				
		There were no internal control findings noted.				
		<u>Compliance</u>				
		There were no compliance findings noted.				

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

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Darwan Lazard, Superintendent,
and Members of the Evangeline Parish School Board
Ville Platte, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Evangeline Parish School Board and the Legislative Auditor, on the performance and statistical data accompanying the annual financial statements of the Evangeline Parish School Board for the fiscal year ended June 30, 2017, and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education, in compliance with Louisiana Revised Statute 24:514. Management of the Evangeline 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 described 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 and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

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

There were no exceptions noted.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule “Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers” (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

There were no exceptions noted.

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

There were no exceptions noted.

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

There were no exceptions noted.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

There were no exceptions noted.

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

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

There were no exceptions noted.

Public School Staff Data: Average Salaries (Schedule 5)

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

There were no exceptions noted.

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

There were no exceptions noted.

Class Size Characteristics (Schedule 6)

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

There were no exceptions noted.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

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

There were no exceptions noted.

iLEAP Tests (Schedule 9)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Evangeline Parish School Board.

There were no exceptions 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, perform an examination, 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 Evangeline Parish School Board, as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

Ville Platte, Louisiana
November 15, 2017

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
For the Year Ended June 30, 2017

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

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

Schedule 2 - Education Levels of Public School Staff

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

Schedule 3 - Number and Type of Public Schools

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

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

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

Schedule 5 - Public School Staff Data: Average Salaries

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

Schedule 6 - Class Size Characteristics

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

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 3, 4, 5, 6, 7 and 8 in each category tested. Scores are reported as Advanced, Mastery, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 9 -iLEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 4, 5, 6, 7 and 8 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Education Levels of Public School Staff
As of October 1, 2016

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Bachelor's Degree	283	78.61%	4	100.00%	0	0.00%	0	0.00%
Master's Degree	69	19.17%	0	0.00%	26	81.24%	0	0.00%
Master's Degree + 30	7	1.94%	0	0.00%	4	12.90%	0	0.00%
Specialist in Education	0	0.00%	0	0.00%	1	3.23%	0	0.00%
Ph. D. or Ed. D.	1	0.28%	0	0.00%	0	0.00%	0	0.00%
Total	360	100.00%	4	100.00%	31	97.37%	0	0.00%

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Number and Type of Public Schools
For the Year Ended June 30, 2017

Type	Number
Elementary	7
Middle/Jr. High	1
Secondary	0
Combination	4
Total	12

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

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

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

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	2	1	3	13	20
Principals	0	0	1	1	2	3	5	12
Classroom Teachers	31	51	70	43	30	20	119	364
Total	31	51	72	46	33	26	137	396

**EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana**

**Public School Staff Data: Average Salaries
For the Year Ended June 30, 2017**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	46,720	46,542
Average Classroom Teachers' Salary Excluding Extra Compensation	42,743	42,557
Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries	360	351

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Class Size Characteristics
As of October 1, 2016

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	91.96%	423	84.42%	168	85.00%	68	13.64%	3
Elementary Activity Classes	8.04%	37	15.58%	31	0.00%	12	86.36%	19
Middle/Jr. High	93.06%	67	0.00%	0	0.00%	0	0.00%	0
Middle/Jr. High Activity Classes	6.94%	5	0.00%	0	0.00%	0	0.00%	0
High	0.00%	0	0.00%	0	0.00%	0	0.00%	0
High Activity Classes	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Combination	85.74%	541	93.30%	334	86.09%	99	33.33%	5
Combination Activity Classes	14.26%	90	6.70%	24	13.91%	16	66.67%	10

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

Schedule 7

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2017

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
	Percent	Percent	Percent	Percent	Percent	Percent
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 3						
Advanced	3	3	2	7	12	4
Mastery	38	35	35	43	46	35
Basic	27	30	27	28	24	31
Approaching Basic	18	20	19	15	13	19
Unsatisfactory	14	13	17	8	5	10
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
	Percent	Percent	Percent	Percent	Percent	Percent
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 4						
Advanced	7	8	2	4	7	2
Mastery	40	36	40	43	47	44
Basic	31	29	32	33	28	31
Approaching Basic	17	20	17	16	14	16
Unsatisfactory	6	7	9	4	4	6
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
	Percent	Percent	Percent	Percent	Percent	Percent
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 5						
Advanced	3	2	1	2	4	2
Mastery	38	39	27	34	38	23
Basic	31	32	37	34	33	36
Approaching Basic	18	19	25	21	18	31
Unsatisfactory	9	8	10	9	7	8
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
	Percent	Percent	Percent	Percent	Percent	Percent
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 6						
Advanced	4	3	1	3	5	1
Mastery	34	34	37	33	27	20
Basic	35	35	39	33	40	40
Approaching Basic	19	20	18	26	22	31
Unsatisfactory	8	8	5	5	6	8
Total	100	100	100	100	100	100

(continued)

Schedule 7

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2017 (Continued)

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 7						
Advanced	11	9	3	2	2	1
Mastery	38	25	29	30	24	19
Basic	28	35	33	40	35	39
Approaching Basic	14	21	25	21	33	31
Unsatisfactory	9	10	9	7	7	10
Total	100	100	100	100	100	100

District Achievement Level Results	English Language Arts			Mathematics		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 8						
Advanced	8	5	2	2	3	1
Mastery	37	46	37	32	42	25
Basic	30	33	34	27	26	26
Approaching Basic	15	10	17	26	20	31
Unsatisfactory	10	6	10	13	10	17
Total	100	100	100	100	100	100

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

iLouisiana Educational Assessment Program (iLEAP) for the 21st Century
For the Year Ended June 30, 2017

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 3						
Advanced	6	5	4	N/A	N/A	2
Proficient	23	21	21	N/A	N/A	19
Basic	40	48	48	N/A	N/A	55
Approaching Basic	23	19	21	N/A	N/A	18
Unsatisfactory	8	7	5	N/A	N/A	7
Total	100	100	100			100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 4						
Advanced	3	4	5	N/A	N/A	1
Proficient	20	20	21	N/A	N/A	17
Basic	52	55	51	N/A	N/A	55
Approaching Basic	19	17	19	N/A	N/A	19
Unsatisfactory	6	3	5	N/A	N/A	8
Total	100	100	100			100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 5						
Advanced	3	3	2	N/A	N/A	4
Proficient	17	16	18	N/A	N/A	10
Basic	45	51	46	N/A	N/A	57
Approaching Basic	22	19	23	N/A	N/A	19
Unsatisfactory	14	11	11	N/A	N/A	10
Total	100	100	100			100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 6						
Advanced	3	5	2	N/A	N/A	4
Proficient	16	14	14	N/A	N/A	8
Basic	52	44	51	N/A	N/A	49
Approaching Basic	21	25	25	N/A	N/A	25
Unsatisfactory	8	12	8	N/A	N/A	14
Total	100	100	100			100

(continued)

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

iLouisiana Educational Assessment Program (iLEAP) for the 21st Century
For the Year Ended June 30, 2017 (Continued)

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 7						
Advanced	5	4	2	N/A	N/A	3
Proficient	20	19	21	N/A	N/A	13
Basic	40	41	42	N/A	N/A	45
Approaching Basic	21	23	25	N/A	N/A	26
Unsatisfactory	13	14	10	N/A	N/A	14
Total	100	100	100			100

District Achievement Level Results	Science			Social Studies		
	2017	2016	2015	2017	2016	2015
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 8						
Advanced	0	2	2	N/A	N/A	1
Proficient	12	15	13	N/A	N/A	9
Basic	47	48	40	N/A	N/A	49
Approaching Basic	25	25	32	N/A	N/A	26
Unsatisfactory	16	10	12	N/A	N/A	16
Total	100	100	100			100

EVANGELINE PARISH SCHOOL BOARD
Ville Platte, Louisiana

Statewide Agreed-Upon Procedures Report
Year Ended June 30, 2017

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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To the Management of the Evangeline Parish School Board And Louisiana Legislative Auditor

Retired

Conrad O Chapman, CPA* 2006

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Evangeline Parish School Board and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period June 1, 2016 through May 31, 2017. The entity's management is responsible for those C/C areas identified in the SAUPs.

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

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

d) **Receipts**, including receiving, recording, and preparing deposits.

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met at least monthly.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

Obtained and reviewed minutes of the managing board for the fiscal period noting that the minutes included monthly budget-to-actual comparisons for the major funds for 3 of the 12 months examined.

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

There was no deficit spending noted in the 3 months that contained budget-to-actual comparisons.

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

Obtained and reviewed the minutes of the managing board for the fiscal period noting that there were approvals of contracts/disbursements in at least one meeting during the fiscal period.

Bank Reconciliations

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

Obtained listing of client bank accounts from management and management's representation that listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period, noting that reconciliations have been prepared for all months.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Obtained bank statements and reconciliations for all months in the fiscal period noting evidence of board member review was present on four of the nine bank accounts examined.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Obtained bank statements and reconciliations for all months in the fiscal period noting management's documentation of research for items that have been outstanding for more than 6 months was not present on two of the nine accounts examined.

Collections

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

Obtained listing of cash collection locations and management's representation that listing is complete

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

In 2 of the locations, the person responsible for collecting cash deposits the cash in the bank.

In 5 of the locations, the person responsible for collecting cash records the deposit.

In 3 of the locations, the person responsible for collecting cash reconciles the bank statement.

In 1 of the locations, the person responsible for collecting cash shares a drawer with another person.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

In 7 of the locations, there is no formal process to reconcile cash collections to the general ledger by revenue source, by a person who is not responsible for cash collections.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Collection documentation was obtained and address the functions noted above.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

In 2 of the locations, daily cash collections were not completely supported by documentation.

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

In all locations, there is no process specifically defined to determine the completeness of all collections by a person who is not responsible for collections.

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

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

Listing of disbursements and management's representation that the listing is complete was obtained.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

Examined supporting documentation for each of the 25 disbursements selected and found that purchases were initiated using a purchase order system.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Examined supporting documentation for each of the 25 disbursements selected and found appropriate approval of purchase orders.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Examined supporting documentation for each of the 25 disbursements and found all payments were processed with proper approval, receiving report (if applicable), and approved invoice.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Reviewed entity documentation noting person with signatory authority does not have system access to print checks.

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

No exceptions were noted.

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

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

Listing of active credit cards, bank debit cards, fuel cards and name of person who maintain possession of cards and management's representation that the listing is complete was obtained.

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

Listing was obtained and randomly selected at least one-third of the cards.

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

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

Monthly statements were obtained and address the functions noted above.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Late fees were assessed on one of the two card statements examined.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

Monthly statements were obtained and address the functions noted above.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

Monthly statements were obtained and address the functions noted above.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

Monthly statements were obtained and address the functions noted above.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

Written policies and procedures were obtained and address the functions noted above.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No exceptions noted.

Travel and Expense Reimbursement

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

Listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.

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

Policies were obtained. No amounts listed exceed GSA rates.

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Expenses were paid in accordance with written policy.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

No exceptions noted.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

No exceptions noted.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No exceptions noted.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No exceptions noted.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

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

Listing of all contracts in effect and management's representation that the listing is complete was obtained.

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

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

No exceptions noted.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

No noncompliance noted.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

No noncompliance noted.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

One of the five contracts examined was amended to add pricing for an additional 5 years and change price on year 3 already proposed, for a total of 8 years. The original terms of the contract provided for the amendment.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

No noncompliance noted.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Proper board approval noted.

Payroll and Personnel

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

Listing of employees with their related salaries and management's representation that the listing is complete was obtained.

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

No exceptions noted.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

No exceptions noted.

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

All selected employees documented their leave. All selected employees were salaried employees.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

No exceptions noted.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Ethics (excluding nonprofits)

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

No exceptions noted.

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

Management asserted that they have received no allegations during the fiscal period.

Debt Service (excluding nonprofits)

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

No debt was issued during the fiscal period.

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

All scheduled debt service payments were made and debt reserves were maintained as required by debt covenants.

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

No exceptions noted.

Other

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

Management has asserted that the entity did not have any misappropriations of public funds or assets.

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

Required notices were posted on the entity's premises and website.

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

No exceptions noted.

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

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

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

Ville Platte, Louisiana
November 15, 2017