

Richland Parish School Board

Rayville, Louisiana



Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAR 12 2014

Annual Financial Report

for the year ended June 30, 2013

**Richland Parish School Board
Rayville, Louisiana**

**Annual Financial Report
As of and for the Year Ended June 30, 2013**

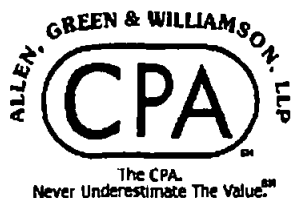
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ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA

Matt Carmichael, CPA
Jaime Esswein, CPA, CFE
Jaunicia Mercer, CPA, CFE
Roomi Shakir, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Independent Auditor's Report

Board Members
Richland Parish School Board
Rayville, 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 Richland Parish School Board, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Board'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 School Board'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 Richland Parish School Board, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress for Other Post Employment Benefit Plan, and the Budgetary Comparison Schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Richland Parish School Board's basic financial statements. The accompanying supplementary information, as listed in the table of contents and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2014 on our consideration of the Richland Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 14, 2014

REQUIRED SUPPLEMENTARY INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013

This section of the Richland Parish School Board's annual financial report provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS In fiscal year 2013, the School Board implemented the following GASB Statements:

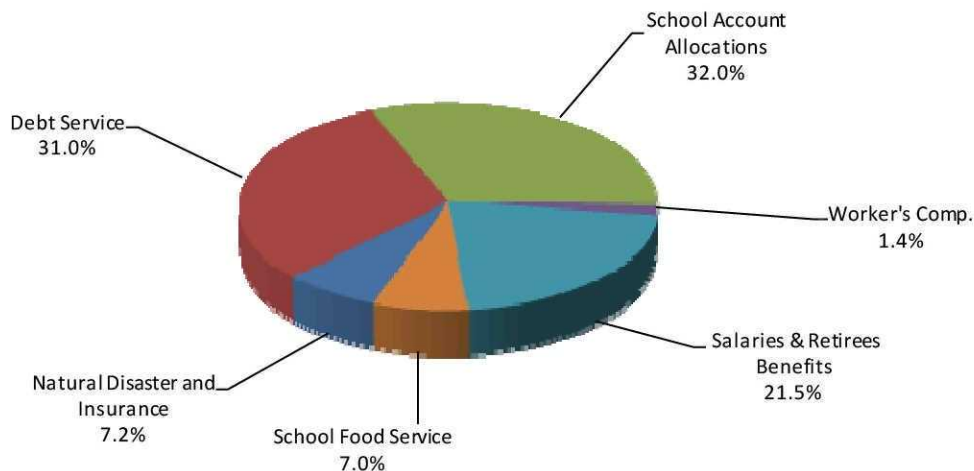
Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position." This Statement establishes standards for reporting of deferred outflows of resources, deferred inflows of resources, and net position.

Statement No. 65, "Items Previously Reported as Assets and Liabilities." This Statement amends or supersedes the accounting and financial guidance for certain items previously reported as assets or liabilities as well as establishes accounting and financial reporting standards for the financial statement of state and local governments.

Although these Statements had no current effect on the financial statements as a result of implementation, the Statements did change the presentation of the School Board's financials, which consisted of the net assets being classified as net position.

The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily Minimum Foundation Program (MFP) funding and cost reimbursement grants and federal revenues which are primarily cost reimbursement grants.

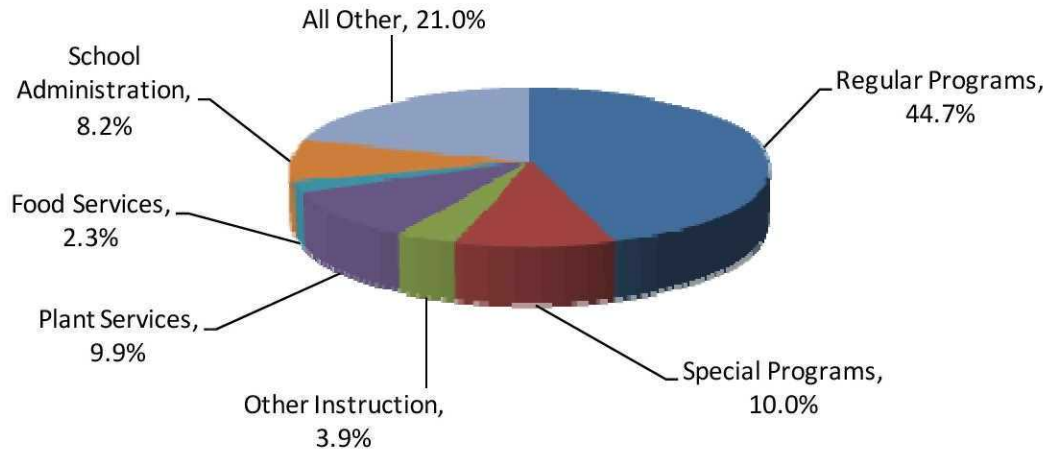
Governmental Activities
Restricted Net Position
June 30, 2013



The assets of the Richland Parish School Board exceeded its liabilities at the close of the 2013-fiscal year by \$17.81 million (net position). Of this amount, the unrestricted net position had a deficit of \$2.45 million. The remaining net position was \$12.96 million is net invested in capital assets, \$.10 million is for payment of worker's compensation, \$.51 million represents the fund balance maintained by School Food Service, \$2.34 million is restricted for school account allocations, \$1.57 million is for payment of salaries, and retiree benefits, \$2.26 million is restricted for payment of long term debt, and \$.52 million is restricted for natural disaster and insurance.

**Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013**

**Governmental Activities
Net Cost of Services
For the Year Ended June 30, 2013**



Total gross spending for all programs was \$37.86 million, whereas the net cost for all programs was \$31.51 million. The majority of the School Board's local taxes and Minimum Funding Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these six areas: regular programs \$14.08 million, special programs \$3.14 million, other instructional programs \$1.23 million, school administration \$2.60 million, plant services \$3.13 million and student transportation \$1.82 million. The net cost of the remaining programs was \$5.51 million overall.

As provided by Senate Concurrent Resolution (SCR) 139, not less than 50% of the school district's increase in state MFP funding from implementation of Level 1 and Level 2 of the formula is to be used to enhance and supplement full-time certificated staff salaries and retirement benefits. This requirement was suspended for the 2011-2013 fiscal year.

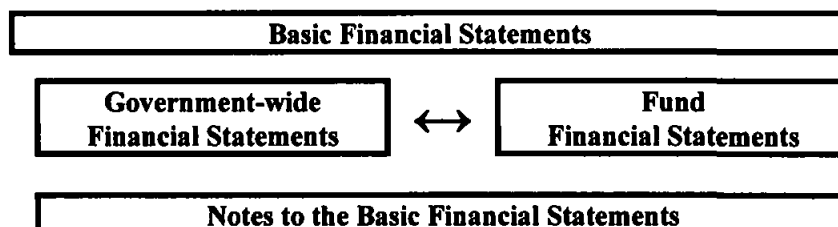
The School Board decreased its outstanding general obligation long-term debt by \$0.75 million or 4.28%, the majority of which represents the payment of general obligation bonded debt.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand Richland Parish School Board as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. Notes to the Basic Financial Statements provide additional information that is essential for the fair presentation of the School Board's financial position and its operations. The notes are an integral part of the financial statements and should be considered part of the statements.

**Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013**

Annual Financial Report
Required Supplementary Information
Management's Discussion & Analysis (MD&A)



Required Supplementary Information
Schedule of Funding Progress
Budgetary Information for Major Funds

Supplementary Information
Non-major Funds Combining Statements
Agency Fund Schedules
Schedule of Compensation Paid Board Members

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

Reporting the School Board as a Whole

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

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

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013

All activities reported in the Statement of Net Position and Statement of Activities are considered to be governmental activities. Governmental activities are all of the School Board's services, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements The School Board's fund financial statements provide detailed information about the most significant funds, not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. The fund financial statements do not include the capitalization of capital assets or related depreciation nor do they include long term liabilities as the government-wide financial statements do. We describe the relationship between the government-wide financial statements and the fund financial statements in the reconciliations on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities The School Board is the trustee, or fiduciary, for its student activities funds which are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. These funds are under the control and administration of the individual schools. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These funds are only those funds generated at the school and do not include funds available to the schools from other sources such as local tax revenues or Title I, which are accounted for at the School Board level.

THE SCHOOL BOARD AS A WHOLE

The School Board's net position was \$17.81 million at June 30, 2013. Of this amount, unrestricted was a deficit of \$2.45 million. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use that net position for day-to-day operations. Our analysis below focuses on the net position, (Table 1) and the change in net position (Table 2) of the School Board's governmental activities.

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013

Table 1
Net Position (in millions)
June 30,

	Governmental Activities		
	2013	2012	Variance
Other assets	\$ 17.71	\$ 18.68	\$ (0.97)
Capital assets	27.47	26.80	0.67
Total assets	<u>45.18</u>	<u>45.48</u>	<u>(0.30)</u>
Other liabilities	4.71	5.15	(0.44)
Long-term liabilities	22.66	23.06	(0.40)
Total liabilities	<u>27.37</u>	<u>28.21</u>	<u>(0.84)</u>
Net position			
Net investment in capital assets	12.96	13.51	(0.55)
Restricted	7.30	6.48	0.82
Unrestricted	(2.45)	(2.72)	0.27
Total net position	<u>\$ 17.81</u>	<u>\$ 17.27</u>	<u>\$ 0.54</u>

The negative \$2.45 million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to liquidate its assets and pay off all of its bills today including all of its non-capital liabilities (compensated absences for example), there would be a deficit of \$2.45 million.

The net position increased by \$0.54 million during the fiscal year ended June 30, 2013. This increase was primarily due to budget restraints created by MFP allocation that was declared unconstitutional and restored to the School Board shortly before the budget year ended.

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013

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

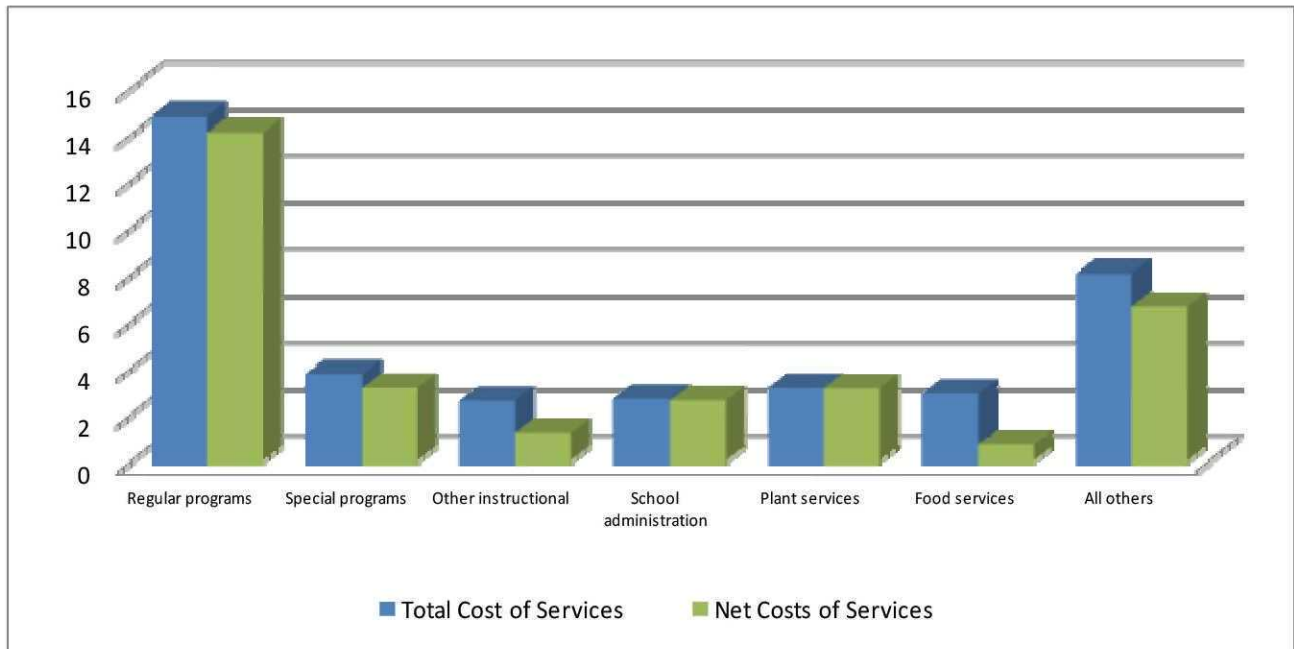
	Governmental Activities		
	2013	2012	Variance
Net Position – beginning	\$ 17.27	\$ 18.98	\$ (1.71)
Revenues:			
Program revenues			
Charges for services	0.20	0.22	(0.02)
Operating grants and contributions	6.16	5.82	0.34
General Revenues			
Ad valorem taxes	5.74	4.33	1.41
Sales taxes	6.10	5.71	0.39
State equalization	19.79	20.62	(0.83)
Other general revenues	0.41	0.98	(0.57)
Total revenues	<u>38.40</u>	<u>37.68</u>	<u>0.72</u>
Functions/Program Expenses:			
Instruction			
Regular programs	14.80	15.78	(0.98)
Special programs	3.75	3.49	0.26
Other instructional programs	2.58	3.21	(0.63)
Support services			
Student services	1.36	1.39	(0.03)
Instructional staff support	1.54	1.76	(0.22)
General administration	1.05	1.11	(0.06)
School administration	2.66	2.71	(0.05)
Business services	0.82	0.75	0.07
Plant services	3.15	3.28	(0.13)
Student transportation services	1.84	1.95	(0.11)
Central services	0.46	0.36	0.10
Food Services	2.88	2.91	(0.03)
Community Service Programs	0.01	0.02	(0.01)
Interest on long-term debt	0.96	0.67	0.29
Total expenses	<u>37.86</u>	<u>39.39</u>	<u>(1.53)</u>
Increase (decrease) in net position	<u>0.54</u>	<u>(1.71)</u>	<u>2.25</u>
Net Position – ending	<u>\$ 17.81</u>	<u>\$ 17.27</u>	<u>\$ 0.54</u>

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

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013

Table 3
Cost of Services (in millions)
For the Years Ended June 30,

	2013		2012	
	Total Cost of Services	Net Costs of Services	Total Cost of Services	Net Costs of Services
Governmental Activities				
Regular programs	\$ 14.80	\$ 14.08	\$ 15.78	\$ 15.19
Special programs	3.75	3.14	3.49	1.79
Other instructional	2.58	1.23	3.21	3.01
School administration	2.66	2.60	2.71	2.67
Plant services	3.15	3.13	3.28	3.28
Food services	2.88	0.71	2.91	0.74
All others	8.04	6.62	8.01	6.67
Totals	\$ 37.86	\$ 31.51	\$ 39.39	\$ 33.35



**Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013**

THE SCHOOL BOARD'S FUNDS

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

Total fund balances of all governmental funds decreased \$.58 million; the breakdown is as follows:

The fund balances of general fund increased \$1.35 million due to the change in MFP allocation. The decrease in the Capital Project fund of \$2.30 million is due to spending of construction funds. The increase in nonmajor governmental fund balance of \$.37 million is primarily due to change in debt service fund balances.

General Fund Budgetary Highlights As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplemental information section of this report.)

There was approximately a \$.97 million increase made to the original 2012-13 general fund budget's total amount available for appropriations. The main change was primarily due to change of MFP allocation during the year. There was approximately a \$.07 million decrease made to the original 2012-13 general fund budget's total expenditures. This decrease was due primarily to the budget restraints and costs saving opportunities that arose during the year.

The actual revenues exceeded the budgeted revenues by \$.04 million, which was due to increase in tax revenue. Additionally the actual expenditures exceeded the budgeted expenditures by \$.43 million, which was due to various unforeseen costs which arose during the year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2013, the School Board had \$27.46 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions, and depreciation) of approximately \$.66 million, or 2.46% from last year. See Note 6 in the notes to the financial statements for additional information.

Richland Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2013

Capital Assets (in millions)
June 30,

Governmental Activities

	<u>2013</u>	<u>2012</u>
Land	\$ 0.10	\$ 0.10
Construction in progress	0.96	0.77
Buildings	24.61	23.69
Furniture and equipment	1.79	2.24
Totals	<u>\$ 27.46</u>	<u>\$ 26.80</u>

Debt Administration At June 30, 2013, the School Board had \$16.79 million in general obligation bonds outstanding with maturities from 2013 to 2031 with interest rates ranging from 0.10 to 5.4 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property.

	<u>Amount</u>	<u>Ratio of Debt to</u> <u>Assessed Value</u>	<u>Debt per</u> <u>Capita</u>
Net direct general obligation bonded debt	<u>\$14,350,456</u>	<u>7.11%</u>	<u>\$686</u>

At June 30, 2013, the School Board's net bonded debt of \$14,350,456 (total bonded debt of \$16,785,000 less assets in debt service funds of \$2,434,544) was well below the legal limit of \$70,604,895. The School Board's outstanding OPEB liability was \$4,671,484. See Note 8 and Note 12 in the notes to the financial statements for additional information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The consolidated budget for the 2013-14 year includes a 1.67% increase in anticipated revenues as well as a 5% increase in budgeted expenditures. The increase in budgeted revenues is primarily due to change in local revenue anticipated. The increase in budgeted expenditures is due to the inflationary costs being absorbed by the School Board in order to maintain staffing, benefits and services at current level. Projections show that more than 90% of the School Board's General Fund budget for the 2013-14 year is consumed by salaries and related benefits. Overall the School Board has budgeted an excess of revenues over expenditures in the amount of \$.43 million for the 2013-14 fiscal year which is attributed directly to the continued diligence of the School Board to maintain a balance budget.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Regina R. Mekus, CPA, Business Manager, at Richland Parish School Board, P. O. 599, Rayville, Louisiana 71269-0599, telephone number (318) 728-5964.

BASIC FINANCIAL STATEMENTS:

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

RICHLAND PARISH SCHOOL BOARD

**STATEMENT OF NET POSITION
June 30, 2013**

Statement A

	GOVERNMENTAL ACTIVITIES
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 14,774,252
Investments	1,278,701
Receivables	1,601,335
Inventory	60,444
Capital assets:	
Land and construction in progress	1,058,908
Capital assets, net of depreciation	<u>26,406,564</u>
TOTAL ASSETS	<u>45,180,204</u>
LIABILITIES	
Accounts, salaries and other payables	4,506,500
Unearned revenue	22,649
Claims payable	5,778
Interest payable	174,465
Long-term liabilities	
Due within one year	1,778,317
Due in more than one year	<u>20,886,631</u>
TOTAL LIABILITIES	<u>27,374,340</u>
NET ASSETS	
Net investment in capital assets	12,958,021
Restricted for:	
Worker's compensation	100,000
School Food Service	513,904
School account allocations	2,333,023
Salaries and retiree benefits	1,571,547
Debt service	2,260,079
Natural disaster and insurance	523,493
Unrestricted	<u>(2,454,203)</u>
TOTAL NET POSITION	<u>\$ 17,805,864</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

RICHLAND PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013**

Statement B

	PROGRAM REVENUES			NET (EXPENSE)
		CHARGES FOR	OPERATING	REVENUE AND
	EXPENSES	SERVICES	GRANTS AND	CHANGES IN
			CONTRIBUTIONS	NET POSITION
FUNCTIONS/PROGRAMS				
Primary Government				
Governmental activities:				
Instruction:				
Regular programs	\$ 14,803,420	\$ -	\$ 728,033	\$ (14,075,387)
Special programs	3,751,862	-	613,090	(3,138,772)
Other instructional programs	2,580,949		1,354,821	(1,226,128)
Support services:				
Student services	1,358,288	-	155,419	(1,202,869)
Instructional staff support	1,542,720	-	1,064,282	(478,438)
General administration	1,047,538	-	6,025	(1,041,513)
School administration	2,664,263	-	67,067	(2,597,196)
Business services	815,824	-	159,205	(656,619)
Plant services	3,152,479	-	21,795	(3,130,684)
Student transportation services	1,845,427	-	23,032	(1,822,395)
Central services	459,434	-	3,287	(456,147)
Food services	2,877,790	202,212	1,961,387	(714,191)
Community service programs	10,571	-	76	(10,495)
Interest on long-term debt	955,359	-	-	(955,359)
Total Governmental Activities	\$ 37,865,924	\$ 202,212	\$ 6,157,519	\$ (31,506,193)

General revenues:

Taxes:

Property taxes, levied for general purposes	3,445,161
Property taxes, levied for debt services	2,293,548
Sales taxes, levied for general purposes	6,098,884
Grants and contributions not restricted for specific programs	
Minimum Foundation Program	19,795,676
State revenue sharing	192,486
Interest and investment earnings	17,249
Miscellaneous	202,723

Total general revenues 32,045,727

Changes in net position 539,534

Net position - beginning 17,266,330

Net position - ending \$ 17,805,864

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

RICHLAND PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2013

Statement C

	<u>GENERAL</u>	<u>CAPITAL PROJECT</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 8,780,051	\$ 2,935,174	\$ 3,059,027	\$ 14,774,252
Investments	1,278,701	-	-	1,278,701
Receivables	692,042	-	909,293	1,601,335
Interfund receivables	725,509	-	-	725,509
Inventory	-	-	60,444	60,444
TOTAL ASSETS	<u>11,476,303</u>	<u>2,935,174</u>	<u>4,028,764</u>	<u>18,440,241</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	4,057,926	116,416	332,158	4,506,500
Interfund payables	-	-	725,509	725,509
Unearned revenue	-	-	22,649	22,649
Claims payable	5,778	-	-	5,778
Total Liabilities	<u>4,063,704</u>	<u>116,416</u>	<u>1,080,316</u>	<u>5,260,436</u>
Fund Balances:				
Nonspendable	-	-	40,055	40,055
Restricted	4,528,063	2,818,758	2,908,393	10,255,214
Unassigned	2,884,536	-	-	2,884,536
Total Fund Balances	<u>7,412,599</u>	<u>2,818,758</u>	<u>2,948,448</u>	<u>13,179,805</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,476,303</u>	<u>\$ 2,935,174</u>	<u>\$ 4,028,764</u>	<u>\$ 18,440,241</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

RICHLAND PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2013**

Statement D

Total fund balances - governmental funds \$ 13,179,805

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

Costs of capital assets	\$ 65,671,303	
Accumulated depreciation	<u>(38,205,831)</u>	
		27,465,472

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

Balances at June 30, 2013 are:

Long-term liabilities		
Bonds payable	(16,785,000)	
Compensated absences payable	(664,290)	
Workers' compensation payable	(2,965)	
Capital lease payable	(541,209)	
OPEB liability	(4,671,484)	
Interest payable	<u>(174,465)</u>	
		<u>(22,839,413)</u>

Net Position of Governmental Activities	<u>\$ 17,805,864</u>
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

RICHLAND PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2013**

Statement E

	<u>GENERAL</u>	<u>CAPITAL PROJECT</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 3,445,161	\$ -	\$ 2,293,548	\$ 5,738,709
Sales and use	6,098,884	-	-	6,098,884
Interest earnings	13,756	2,202	1,291	17,249
Food services	-	-	202,212	202,212
Other	202,444	2,241	-	204,685
State sources:				
Equalization	19,700,847	-	94,829	19,795,676
Other	373,370	-	155,994	529,364
Federal sources	28,079	-	5,792,562	5,820,641
Total Revenues	29,862,541	4,443	8,540,436	38,407,420
EXPENDITURES				
Current:				
Instruction:				
Regular programs	12,919,374	-	587,158	13,506,532
Special programs	3,067,973	-	560,869	3,628,842
Other instructional programs	1,270,377	-	1,260,427	2,530,804
Support services:				
Student services	1,182,954	-	136,910	1,319,864
Instructional staff support	517,724	-	977,315	1,495,039
General administration	642,271	-	361,089	1,003,360
School administration	2,553,716	-	45,287	2,599,003
Business services	654,035	-	143,350	797,385
Plant services	2,930,822	94,333	1,669	3,026,824
Student transportation services	2,000,227	-	9,368	2,009,595
Central services	448,730	-	-	448,730
Food services	112,895	-	2,487,295	2,600,190
Community services	9,745	-	-	9,745
Capital outlay	-	2,213,978	-	2,213,978
Debt service:				
Principal retirement	-	-	1,110,000	1,110,000
Interest and bank charges	-	-	640,164	640,164
Bond issuance costs	-	-	36,447	36,447
Advance refunding escrow	-	-	50,334	50,334
Total Expenditures	28,310,843	2,308,311	8,407,682	39,026,836
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 1,551,698	\$ (2,303,868)	\$ 132,754	\$ (619,416)

(CONTINUED)

RICHLAND PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2013**

Statement E

	<u>GENERAL</u>	<u>CAPITAL PROJECT</u>	<u>NONMAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 199,655	\$ 199,655
Transfers out	(199,655)	-	-	(199,655)
Refunding bonds issued	-	-	5,295,000	5,295,000
Payments to refunded bond escrow agent	-	-	(5,258,553)	(5,258,553)
Total Other Financing Sources (Uses)	<u>(199,655)</u>	<u>-</u>	<u>236,102</u>	<u>36,447</u>
Net Change in Fund Balances	1,352,043	(2,303,868)	368,856	(582,969)
FUND BALANCES - BEGINNING	<u>6,060,556</u>	<u>5,122,626</u>	<u>2,579,592</u>	<u>13,762,774</u>
FUND BALANCES - ENDING	<u><u>\$ 7,412,599</u></u>	<u><u>\$ 2,818,758</u></u>	<u><u>\$ 2,948,448</u></u>	<u><u>\$ 13,179,805</u></u>

(CONCLUDED)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

RICHLAND PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Change in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2013**

Statement F

Total net change in fund balances - governmental funds	\$	(582,969)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the period:

Depreciation expense	\$ (1,546,887)	
Capital outlays	2,213,978	667,091

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

Repayment of bond debt	6,045,000	
Refunding Bonds issued	(5,295,000)	
Repayment of capital lease	339,509	1,089,509

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned \$(223,389) exceeded the amounts used (\$210,176) by \$13,213.

(13,213)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

(Increase)decrease of incurred but not reported workers' compensation claims	10,958
--	--------

Increase in OPEB liability, in which is reported in Statement of Activities and are not reported as expenditures in governmental funds.	(688,572)
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Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	58,692
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Capital assets disposed of prior to full depreciation results in a loss on disposal for the government-wide statements. There is no recognition of this loss in the governmental funds.	(1,962)
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Change in net position of governmental activities	\$ 539,534
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

RICHLAND PARISH SCHOOL BOARD
FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2013

Statement G

	AGENCY FUND
	<hr/>
ASSETS	
Cash and cash equivalents	<u>\$ 556,139</u>
Total assets	<u> 556,139</u>
 LIABILITIES	
Deposits due others	<u> 556,139</u>
Total liabilities	<u>\$ 556,139</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

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Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying basic financial statements of the Richland Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

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

The School Board operates eleven schools within the parish with a total enrollment of approximately 3,480 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

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

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

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

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

Capital Project This fund was established for the construction/renovation of schools in District #3 that began in the 2012 fiscal year and funded with bond proceeds.

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

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

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

School activities agency fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

Fund Financial Statements (FFS)

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

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

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

Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when the underlying exchange transaction occurs and the resources are available.

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

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

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30. Substantially all other expenditures are recognized when the related fund liability is incurred.

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

Fiduciary Funds

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

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

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

Definitions:

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

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

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

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

H. INVENTORY AND PREPAID ITEMS 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 Agriculture and Forestry. The commodities are recorded as revenues when consumed; however, all inventory items are recorded as expenditures when purchased. Unused commodities at June 30 are reported as unearned revenues. All purchased inventory items are valued at cost using first in, first out (FIFO) method, and commodities are assigned values based on information provided by the U. S. Department of Agriculture.

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

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

Buildings	10 - 40 years
Furniture and equipment	3 - 10 years
Vehicles	5 - 8 years
Intangibles – software	5 years

Interest during construction is not capitalized on capital assets.

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

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

K. COMPENSATED ABSENCES All 12-month employees earn from twelve to eighteen days of vacation leave each year, depending on their length of service with the School Board. Vacation leave can be accumulated but cannot exceed sixty days. However, upon separation, all unused vacation up to 60 days a year is paid to the employee.

All School Board employees earn from twelve to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay.

Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

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

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

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

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

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals. The School Board uses this approach. The School Board accrues those employees that have a minimum experience of 20 years.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

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

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

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board does not have an item that qualifies for reporting in this category.

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

N. RESTRICTED NET POSITION For the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use is either:

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Restricted net position reported in the Statement of Net Position as school account allocations, salaries and retiree benefits, debt service and natural disaster and insurance are restricted by enabling legislation.

O. FUNDEQUITY OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. The Board is the highest level of decision making authority for the School Board, that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board.

Unassigned: Fund balance that is the residual classification for the general fund.

The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. School Board considers restricted amounts to have been spent when an expenditure has incurred for purposes for which both restricted and unrestricted fund balance is available.

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P. INTERFUND ACTIVITY Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Q. SALES TAXES The School Board has the following three sales tax ordinances:

The School Board has a one cent parish-wide sales and use tax as authorized in a special election held February 6, 1968. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the School System and for benefits of the retirees of the School System.

The School Board has a one-half cent parish-wide sales and use tax as authorized in a special election held September 21, 1996 and renewed in a special election on April 29, 2006. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is to be dedicated and used solely to maintain and operate the public schools of Richland Parish.

The School Board has a one-half cent parish-wide sales and use tax as authorized in a special election held July 15, 2000. In accordance with the proposition approved by the voters of the parish, the net revenues derived from said sales and use tax is to be dedicated and used solely to pay salaries and benefits of teachers and other School Board employees.

R. BUDGETS

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

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

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

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level by fund; except for special revenue funds, which are controlled at the fund level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered significant by the Board. All budget revisions are approved by the Board.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted

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expenditures by five percent or more. The School Board approves budgets at the function level for the general fund and at the fund level for special revenue. Management can transfer amounts between line items within a function.

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Excess of Expenditures Over Appropriations in Individual Funds - The following individual funds had actual expenditures over budgeted expenditures for the fiscal year ended June 30, 2013:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$33,625,160	\$34,056,138	\$430,978

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

B. Deficit Fund Balances - The following nonmajor funds reported a deficit fund balance for fiscal year ended June 30, 2013:

<u>Fund</u>	<u>Amount</u>
School District #4 Debt Service	\$2,260

The cause of the deficit fund balances at year end was due to protested taxes not being released at year end.

NOTE 3 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Richland Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Richland Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

The Richland Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Levy date	January 1, 2012
Tax bills mailed	November 15, 2012
Due date	December 31, 2012
Lien date	January 1, 2013
Tax sale date - 2012 delinquent property	May 9, 2013

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

10% land	25% public service properties, excluding land
10% residential improvements	15% other property
15% electronic cooperative properties, excluding land	

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A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2012. Total assessed value was \$201,728,271 in calendar year 2012. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$27,919,059 of the assessed value in calendar year 2012.

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

All property taxes are recorded in the general and debt service funds on the basis explained in Note 1. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2012 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2012 property taxes occurs in December, and January and February of the next year.

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

The following is a summary of authorized and levied ad valorem taxes:

	Adjusted Maximum Millage	Levied Millage	Expiration Date
Parish-wide taxes:			
Constitutional	8.17	8.17	Statutory
Maintenance	8.14	8.07	2016
District taxes:			
School District #1	Various	9.00	2024
School District #2	Various	7.00	2015
School District #3	Various	20.00	2019

NOTE 4 - DEPOSITS AND INVESTMENTS Deposits are stated at cost, which approximated fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in the holding or custodial bank that is mutually acceptable to both parties.

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

Credit Risk: The School Board's investments are in Certificates of Deposits which do not have credit ratings; however, the School Board's policy does not address credit rate risk.

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Custodial Credit Risk: At year-end the school Board's carrying amount of deposits was \$16,609,092 and the bank balance was \$17,721,515, which includes \$1,278,701 in certificate of deposits classified as investments. These deposits are reported as follows: Statement A – cash and cash equivalents, \$14,774,252, Statement A – investments \$1,278,701, Statement G – cash and cash equivalents \$556,139. Of the bank balance, \$818,523 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name. Of the remaining balance \$15,300,664 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. The remaining balance of \$2,420,851 was not collateralized with securities held by the pledging financial institution's trust department or agent. The School Board's policy does not address custodial risk. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 5 - RECEIVABLES The balance of receivables at June 30, 2013, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	Nonmajor Governmental	Total
Taxes:			
Ad valorem	\$ 135	\$ -	\$ 135
Sales and use	591,821	-	591,821
Intergovernmental-grants			
Federal	-	854,682	854,682
State	14,373	54,527	68,900
Local Accounts	85,713	84	85,797
Total	<u>\$ 692,042</u>	<u>\$ 909,293</u>	<u>\$ 1,601,335</u>

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2013 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Nondepreciable capital assets				
Land	\$ 102,200	\$ -	\$ -	\$ 102,200
Construction in progress	770,213	2,176,139	1,989,644	956,708
Total nondepreciable capital assets	<u>872,413</u>	<u>2,176,139</u>	<u>1,989,644</u>	<u>1,058,908</u>
Depreciable capital assets				
Buildings	54,645,014	1,989,644	-	56,634,658
Furniture and equipment	8,016,051	37,839	76,153	7,977,737
Total depreciable capital assets	<u>62,661,065</u>	<u>2,027,483</u>	<u>76,153</u>	<u>64,612,395</u>
Less accumulated depreciation				
Buildings	30,957,219	1,063,601	-	32,020,820
Furniture and equipment	5,775,916	483,286	74,191	6,185,011
Total accumulated depreciation	<u>36,733,135</u>	<u>1,546,887</u>	<u>74,191</u>	<u>38,205,831</u>
Total depreciable capital assets, net	<u>25,927,930</u>	<u>480,596</u>	<u>1,962</u>	<u>26,406,564</u>
Governmental activities				
Capital assets, net	<u>\$ 26,800,343</u>	<u>\$ 2,656,735</u>	<u>\$ 1,991,606</u>	<u>\$ 27,465,472</u>

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Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 981,785
Special programs	44,060
Other instructional programs	16,178
Student services	5,835
Instructional staff support	7,876
Business services	3,791
Plant services	95,558
Student transportation services	143,728
Food services	<u>248,076</u>
Total depreciation expense	<u>\$ 1,546,887</u>

NOTE 7 - RETIREMENT SYSTEMS

Plan description Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age 60 with 10 years of service, or at any age with 20 years of service. The formula for annual maximum retirement benefits is generally two percent (with less than 25 years of service) or 2.5 percent (with 25 or more years of service) times the years of creditable service times the average salary of the 36 highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service and at age 60 with at least 10 years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the 36 highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after 30 years of service, or after 25 years of service at age 55 or after 10 years of service at age 60. The maximum retirement allowance is computed at 2.5 percent times the highest 36 months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

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Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804
(225) 925-6484

Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS, as provided by state law, is funded through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded through annual appropriations.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the State of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2013 are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.0%	24.5%
Plan A	9.1%	30.0%
Louisiana School Employees' Retirement System	7.5/8.0%	30.8%

Total covered payroll of the School Board for TRS – Regular Plan, TRS – Plan A, and LSERS for the year ended June 30, 2013, amounted to \$16,343,746, \$17,804, and \$1,415,098 respectively. Employer contributions for the year ended June 30, 2013, and each of the two preceding years are as follows:

<u>Fiscal Year Ended</u>	<u>TRS</u>	<u>LSERS</u>
June 30, 2011	\$ 3,858,111	\$ 406,423
June 30, 2012	4,084,258	447,945
June 30, 2013	4,001,663	436,435

The above required contributions were made in full.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

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

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for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a rate schedule. Contribution amounts are approximately 25% retiree/75% employer of the stated costs of healthcare coverage.

The plan is currently financed on a "pay as you go basis", with the School Board contributing \$2,228,821 for 346 retirees for the year ended June 30, 2013.

Annual Other Post Employment Benefit Cost and Liability - The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which was implemented for the year ended June 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30 year amortization period (the maximum amortization period allowed by GASB 45) was used for post employment benefits. The level dollar amortization method was used. The total ARC for fiscal year 2013 is \$3,007,277 as set forth below:

Normal Cost	\$ 783,932
30-year UAL amortization amount	<u>2,223,345</u>
Annual required contribution (ARC)	<u><u>\$ 3,007,277</u></u>

The following table presents the School Board's OPEB obligation for fiscal years 2013, 2012, and 2011:

	2013	2012	2011
Beginning Net OPEB Obligation July 1,	\$ 3,982,912	\$ 3,062,644	\$ 2,106,736
Annual required contribution	3,007,277	2,805,806	2,805,806
Interest on prior year Net OPEB Obligation	159,316	122,506	84,269
Adjustment to ARC	<u>(249,200)</u>	-	<u>(126,431)</u>
Annual OPEB Cost	2,917,393	2,928,312	2,763,644
Less current year retiree premiums	<u>(2,228,821)</u>	<u>(2,008,044)</u>	<u>(1,807,736)</u>
Increase in Net OPEB Obligation	<u>688,572</u>	<u>920,268</u>	<u>955,908</u>
Ending Net OPEB Obligation at June 30,	<u><u>\$ 4,671,484</u></u>	<u><u>\$ 3,982,912</u></u>	<u><u>\$ 3,062,644</u></u>

Utilizing the pay as you go method, the School Board contributed 76.4% of the annual post employment benefits cost during 2013, 68.6% during 2012, and 65.4% during 2011.

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Funded Status and Funding Progress - Since the plan is not funded, the School Board's entire actuarial accrued liability of \$35,535,250 was unfunded.

The funded status of the plan, as determined by an actuary as of July 1, 2012, was as follows:

Actuarial accrued liability (AAL)	\$ 35,535,250
Actuarial value of plan assets	
Unfunded actuarial accrued liability (UAAL)	<u>\$ 35,535,250</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll	\$ 18,112,317
UAAL as a percentage of covered payroll	196.19%

The required Schedule of Funding Progress is immediately following the notes, which presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time to the actuarial accrued liability for benefits.

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

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

In the July 1, 2012 Richland Parish School Board actuarial valuation, the unit credit actuarial cost method was used.

The actuarial assumptions included a 4% rate of return on investments. The expected rate on increase in healthcare costs was based on Pre-Medicare and Medicare eligible graduated down from 7.7% to an ultimate annual rate of 4.5%. The inflation rate is a subset of the healthcare cost trend in which a rate of 2.5% was assumed. The RP 2000 healthy mortality table for annuitants projected to 2013 using Scale AA for pre-retirement and RP 2000 healthy mortality table for non-annuitants projected to 2013 using Scale AA for post-retirement was used in making actuarial assumptions in regards to mortality rates. The withdrawal rates for employees under LASERS retirement system range from 15% at age 18-21 to 4% at age 47-74; whereas the withdrawal rates for employees under TRSL retirement system range vary between 13% to 4% yet result in 5% at age 18-19 to 4% at age 52-74. The disability rates for employees under LASERS retirement system range from .10% at age 35 to .40% at age 60; however disability rates for employees under TRSL retirement system range from .01% at age 23 to .20% at age 66. The retirement rates for employees under LASERS retirement system range from 90% at age 47 to 100% at age 70; and the retirement rates for employees under TRSL retirement system range from 2.0% at age 38 to 100% at age 70.

The remaining amortization period at June 30, 2013 for other post employment benefits (OPEB) was twenty-five years.

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NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2013, are as follows:

	General	Capital Project	Nonmajor Governmental	Total
Salaries	\$ 1,995,943	\$ -	\$ 325,041	\$ 2,320,984
Retainage	-	44,602	-	44,602
Accounts	2,061,983	71,814	7,117	2,140,914
Total	<u>\$ 4,057,926</u>	<u>\$116,416</u>	<u>\$ 332,158</u>	<u>\$ 4,506,500</u>

NOTE 10 - COMPENSATED ABSENCES At June 30, 2013, employees of the School Board have accumulated and vested \$664,290 of employee leave benefits, including \$9,495 of salary-related benefits. These employee leave benefits were computed in accordance with GASB Codification Section C60.

NOTE 11 - AGENCY FUND DEPOSITS DUE OTHERS A summary of changes in school activities agency fund deposits due others for the year ended June 30, 2013, follows:

	Balance, Beginning	Additions	Reductions	Balance, Ending
Agency funds:				
School activities accounts	<u>\$ 549,441</u>	<u>\$ 1,858,957</u>	<u>\$ 1,852,259</u>	<u>\$ 556,139</u>

NOTE 12 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year ended June 30, 2013:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation debt	\$ 17,535,000	\$ 5,295,000	\$ 6,045,000	\$ 16,785,000	\$ 1,220,000
Other liabilities:					
Compensated absences	651,077	223,389	210,176	664,290	210,176
Worker's compensation claims	13,923	64,271	75,229	2,965	2,965
Capital Leases	880,718	-	339,509	541,209	345,176
OPEB liability	3,982,912	2,917,393	2,228,821	4,671,484	-
Governmental Activities					
Long-term liabilities	<u>\$ 23,063,630</u>	<u>\$ 8,500,053</u>	<u>\$ 8,898,735</u>	<u>\$ 22,664,948</u>	<u>\$ 1,778,317</u>

The compensated absences liability, worker's compensation liability, capital leases and OPEB liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 100% was paid by the general fund.

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The individual bond issues are as follows:

<u>Bond issue</u>	<u>Issue Date</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General Obligation: School District #2	11/1/2000	\$ 630,000	.10%-5.4%	3/1/2015	\$ 9,719	\$ 120,000
School District #3 Refunding	11/1/2010	6,125,000	2.90%	3/1/2021	691,940	5,035,000
School District #3	5/1/2011	6,000,000	3.25%-4.25%	3/1/2031	2,381,087	5,600,000
School District #1	7/1/2005	7,755,000	3.75%-4.5%	3/1/2025	49,950	735,000
School District #1 Refunding	4/16/2013	5,295,000	2.45%	3/1/2025	971,134	5,295,000
Total					<u>\$ 4,103,830</u>	<u>\$ 16,785,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish and general operating funds of the School Board. At June 30, 2013, the School Board has accumulated \$2,434,544 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2014	\$ 1,220,000	\$ 514,972	\$ 1,734,972
2015	1,265,000	488,100	1,753,100
2016	1,265,000	443,394	1,708,394
2017	1,320,000	407,779	1,727,779
2018	1,370,000	370,295	1,740,295
2019-2023	6,165,000	1,248,571	7,413,571
2024-2028	2,925,000	521,842	3,446,842
2029-2031	1,255,000	108,877	1,363,877
Total	<u>\$ 16,785,000</u>	<u>\$ 4,103,830</u>	<u>\$ 20,888,830</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, the statutory limit was \$70,604,895, and outstanding net bonded debt totaled \$14,350,456.

Advance Refunding

In April 2013, the School Board issued \$5,295,000 in Series 2013 General Obligation Bonds School District #1 to provide resources for the refunding of \$4,935,000 in School District #1- Series 2005. The net proceeds of \$5,258,553 (after \$36,447 in bond issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment of the refunded bonds. As a result, the general obligation bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Position.

The School Board advance refunded the general obligations bonds to reduce its total debt service payments over 12 years by \$202,055 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$168,030.

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

Capital Lease During the 2010 fiscal year, the School Board purchased 10 school buses under a capital lease agreement for \$718,450, in which the current depreciation was \$79,126 and accumulated depreciation at June 30, 2013 fiscal year end was \$316,227. In 2012, the School Board purchased an additional 10 buses under a new capital lease for \$784,136. The current depreciation was \$87,126 and accumulated depreciation at June 30, 2013 fiscal year end was \$101,647. The following is a schedule of future minimum lease payments under capital lease, together with the present value of the net minimum lease payments, as of June 30, 2013:

2014	\$ 356,958
2015	196,034
Net minimum lease payments	552,992
Less: amounts representing interest	11,783
Present value of net minimum lease payments	<u>\$ 541,209</u>

NOTE 13 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund receivable/payable:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	<u>\$ 725,909</u>	Nonmajor Governmental	<u>\$ 725,909</u>

The purpose of interfund receivable/payables is to cover expenditures on cost reimbursement programs until reimbursements are received.

Interfund transfers:

<u>Receiving Fund</u>	<u>Transfers In</u>	<u>Paying Fund</u>	<u>Transfers Out</u>
Nonmajor Governmental	<u>\$ 199,655</u>	General Fund	<u>\$ 199,655</u>

The purpose of interfund transfers was to cover operating expenditures in School Food Service.

NOTE 14 - FUND BALANCE CLASSIFICATION DETAILS

	<u>General</u>	<u>Capital Project</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Non spendable:				
Inventory	\$ -	\$ -	\$ 40,055	\$ 40,055
Restricted for:				
Workers compensation reserve	100,000	-	-	100,000
School food service	-	-	473,849	473,849
School account allocations	2,333,023	-	-	2,333,023
Schools construction/renovation	-	2,818,758	-	2,818,758
Salaries and benefits	1,571,547	-	-	1,571,547
Debt service	-	-	2,434,544	2,434,544
Natural disaster and insurance	523,493	-	-	523,493
Unassigned	2,884,536	-	-	2,884,536
Total	<u>\$ 7,412,599</u>	<u>\$ 2,818,758</u>	<u>\$ 2,948,448</u>	<u>\$ 13,179,805</u>

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

NOTE 15 - RISK MANAGEMENT The School Board initiated a self-insured program for workers' compensation in 1991. It joined a pool of school boards in Northeast Louisiana in order to share workers' compensation costs. The School Board's share of risk is determined by calculating its percentage of the total manual premium of the group. The risk allocated to the School Board for the year ended June 30, 2013 was 50%. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

Changes in the claims amount for the last three fiscal years were as follows:

<u>Years Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Ending of Fiscal Year Liability</u>
2010-2011	\$ 2,392	\$ 90,948	\$ 53,520	\$ 39,820
2011-2012	39,820	23,150	43,269	19,701
2012-2013	19,701	64,271	75,229	8,743

Of this amount, \$5,778 is reflected as claims payable which represents estimated payments sixty days after year end, which is reported in the balance sheet (Statement C). The remaining \$2,965 is the long-term portion, in which the full amount is considered due within one year reported in the statement of net position (Statement A). In addition, the School Board is at risk for property damage, liability, and theft which are covered by insurance policies.

During the fiscal year 2013, a total of \$75,229 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$250,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. Claims payable of \$8,743 as of June 30, 2013, has been accrued as liability. Claims payable does not include incremental costs. Settlements have not exceeded insurance coverage for each of the past three fiscal years.

The School Board also participates in an entity risk pool for insurance coverage, including property and casualty insurance and the reinsurance of such coverage, in order to provide a more efficient and effective way to acquire insurance coverage. The entity risk pool is known as Property Casualty Alliance of Louisiana (PCAL), which is established only for School Boards and is overseen by a board made up of School Board Members. The responsibilities of the School Board is to pay contributions based upon a risk-funding plan developed by the Program as well as to have a loss prevention plan to make all reasonable efforts to eliminate and minimize hazards that would contribute to property/casualty losses. The pool is responsible for handling any and all claims after notice of loss has been received.

NOTE 16 - LITIGATION AND CLAIMS

Litigation The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position.

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

Richland Parish School Board
Notes to the Basic Financial Statements
June 30, 2013

Construction The School Board has construction contracts totaling \$3,016,162 for school improvements in which \$619,590 were outstanding commitments at June 30, 2013.

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

NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments. The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$6,776. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 18 - ECONOMIC DEPENDENCY Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$19,795,676 to the School Board, which represents approximately 51.5% of the School Board's total revenue for the year.

NOTE 19 - NEW GASB STANDARDS In fiscal year 2013, the School Board implemented the following GASB Statements:

Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position." This Statement establishes standards for reporting of deferred outflows of resources, deferred inflows of resources, and net position.

Statement No. 65, "Items Previously Reported as Assets and Liabilities." This Statement amends or supersedes the accounting and financial guidance for certain items previously reported as assets or liabilities as well as establishes accounting and financial reporting standards for the financial statement of state and local governments.

Although these Statements had no current effect on the financial statements as a result of implementation, the Statements did change the presentation of the School Board's financials, which consisted of the net assets being classified as net position.

REQUIRED SUPPLEMENTARY INFORMATION

Richland Parish School Board

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2013**

Fiscal Year Ended	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	(b-a/c) UAAL as a Percentage of Covered Payroll
June 30, 2009	7/1/2008	\$ -	\$36,637,005	\$36,637,005	0%	\$21,141,314	173.30%
June 30, 2010	7/1/2008	-	36,637,005	36,637,005	0%	21,341,878	171.67%
June 30, 2011	7/1/2010	-	33,938,601	33,938,601	0%	21,702,992	156.38%
June 30, 2012	7/1/2010	-	33,938,601	33,938,601	0%	19,620,919	172.97%
June 30, 2013	7/1/2012	-	35,535,250	35,535,250	0%	18,112,317	196.19%

Richland Parish School Board

Budgetary Comparison Schedules

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

RICHLAND PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2013**

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 6,224,949	\$ 5,856,328	\$ 6,060,556	\$ 204,228
Resources (inflows)				
Local sources:				
Ad valorem taxes	3,311,463	3,334,425	3,445,161	110,736
Sales and use taxes	6,094,752	6,098,884	6,098,884	-
Interest earnings	10,132	13,446	13,756	310
Other	220,108	177,108	202,444	25,336
State sources:				
Equalization	18,507,126	19,700,848	19,700,847	(1)
Other	381,075	356,390	373,370	16,980
Federal sources	61,055	30,000	28,079	(1,921)
Transfers from other funds	5,298,224	5,510,991	5,506,546	(4,445)
Amounts available for appropriations	40,108,884	41,078,420	41,429,643	351,223
Charges to appropriations (outflows)				
Instruction:				
Regular programs	12,734,962	12,734,962	12,919,374	(184,412)
Special programs	2,935,901	2,935,901	3,067,973	(132,072)
Other instructional programs	1,420,190	1,277,602	1,270,377	7,225
Support services:				
Student services	1,136,834	1,116,874	1,182,954	(66,080)
Instructional staff support	657,125	550,901	517,724	33,177
General administration	713,892	709,193	642,271	66,922
School administration	2,285,629	2,480,242	2,553,716	(73,474)
Business services	612,937	653,967	654,035	(68)
Plant services	3,098,555	2,977,441	2,930,822	46,619
Student transportation services	1,845,471	1,926,728	2,000,227	(73,499)
Central services	400,912	438,339	448,730	(10,391)
Food services	73,561	105,771	112,895	(7,124)
Community services	11,038	11,038	9,745	1,293
Transfers to other funds	5,773,720	5,706,201	5,745,295	(39,094)
Total charges to appropriations	33,700,727	33,625,160	34,056,138	(430,978)
BUDGETARY FUND BALANCES, ENDING	\$ 6,408,157	\$ 7,453,260	\$ 7,373,505	\$ (79,755)

Richland Parish School Board
Notes to Budgetary Comparison Schedules

A. BUDGETS

General Budget Practices The School Board follows these procedures in establishing the budgetary data reflected in the financial statements:

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

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

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

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were not considered significant.

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

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

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

The following individual funds had actual expenditures over budgeted expenditures for the fiscal year ended June 30, 2013:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$33,625,160	\$34,056,138	\$430,978

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

RICHLAND PARISH SCHOOL BOARD

**Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2013**

Note C - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 41,429,643
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(6,060,556)
Transfers from other funds are a budgetary resource but is not a current year revenue for financial reporting purposes	<u>(5,506,546)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>29,862,541</u>
<u>Uses/outflows of resources:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	34,056,138
Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	<u>(5,745,295)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 28,310,843</u>

SUPPLEMENTARY INFORMATION

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

RICHLAND PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2013

Exhibit 2

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 622,223	\$ 2,436,804	\$ 3,059,027
Receivables	909,293	-	909,293
Inventory	60,444	-	60,444
TOTAL ASSETS	<u>1,591,960</u>	<u>2,436,804</u>	<u>4,028,764</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	332,158	-	332,158
Interfund payables	725,509	-	725,509
Unearned revenue	20,389	2,260	22,649
Total Liabilities	<u>1,078,056</u>	<u>2,260</u>	<u>1,080,316</u>
Fund Balances:			
Nonspendable	40,055	-	40,055
Restricted	473,849	2,434,544	2,908,393
Total Fund Balances	<u>513,904</u>	<u>2,434,544</u>	<u>2,948,448</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,591,960</u>	<u>\$ 2,436,804</u>	<u>\$ 4,028,764</u>

Richland Parish School Board

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RICHLAND PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2013

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>TOTAL</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ -	\$ 2,293,548	\$ 2,293,548
Interest earnings	181	1,110	1,291
Food services	202,212	-	202,212
State sources:			
Equalization	94,829	-	94,829
Other	155,994	-	155,994
Federal sources	5,792,562	-	5,792,562
Total Revenues	<u>6,245,778</u>	<u>2,294,658</u>	<u>8,540,436</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	587,158	-	587,158
Special programs	560,869	-	560,869
Other instructional programs	1,260,427	-	1,260,427
Support services:			
Student services	136,910	-	136,910
Instructional staff support	977,315	-	977,315
General administration	267,610	93,479	361,089
School administration	45,287	-	45,287
Business services	143,350	-	143,350
Plant services	1,669	-	1,669
Student transportation services	9,368	-	9,368
Food services	2,487,295	-	2,487,295
Debt service:			
Principal retirement	-	1,110,000	1,110,000
Interest and bank charges	-	640,164	640,164
Bond issuance costs	-	36,447	36,447
Advance refunding escrow	-	50,334	50,334
Total Expenditures	<u>6,477,258</u>	<u>1,930,424</u>	<u>8,407,682</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ (231,480)</u>	<u>\$ 364,234</u>	<u>\$ 132,754</u>

(CONTINUED)

RICHLAND PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2013**

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 199,655	\$ -	\$ 199,655
Refunding bonds issued	-	5,295,000	5,295,000
Payments to refunded bond escrow agent	-	(5,258,553)	(5,258,553)
Total Other Financing Sources (Uses)	<u>199,655</u>	<u>36,447</u>	<u>236,102</u>
Net Change in Fund Balances	(31,825)	400,681	368,856
FUND BALANCES - BEGINNING	<u>545,729</u>	<u>2,033,863</u>	<u>2,579,592</u>
FUND BALANCES - ENDING	<u>\$ 513,904</u>	<u>\$ 2,434,544</u>	<u>\$ 2,948,448</u>

(CONCLUDED)

Richland Parish School Board

Nonmajor Special Revenue Funds

SCHOOL FOOD SERVICE To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

TITLE I To improve the educational opportunities of educationally deprive children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills.

SPECIAL EDUCATION

STATE GRANTS To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

PRESCHOOL GRANTS To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

TITLE II To improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

LA4 The purpose for these funds are to assist prekindergarten intervention for targeted children, at-risk unserved four-year-olds.

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

8(g) The 8(g) state funds are programs that provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

TWENTY FIRST CENTURY To Support the erection of community learning centers to provide academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools.

REAP To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.

LA GEAR UP To account for state revenue received for the Louisiana Gaining Early Awareness and Readiness for Undergraduate Programs, which is designed to assist low-income high school students to be prepared to enter and succeed in post-secondary education.

**Richland Parish School Board
Agency Fund**

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RICHLAND PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2013

	<u>SCHOOL FOOD SERVICE</u>	<u>TITLE I</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE II</u>
ASSETS				
Cash and cash equivalents	\$ 581,723	\$ 3,353	\$ 15,736	\$ 2,292
Receivables	84	262,168	305,979	98,074
Inventory	60,444	-	-	-
TOTAL ASSETS	<u>642,251</u>	<u>265,521</u>	<u>321,715</u>	<u>100,366</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	104,832	71,411	62,996	29,262
Interfund payables	3,126	194,110	258,719	71,104
Unearned revenue	20,389	-	-	-
Total Liabilities	<u>128,347</u>	<u>265,521</u>	<u>321,715</u>	<u>100,366</u>
Fund Balances:				
Nonspendable	40,055	-	-	-
Restricted	473,849	-	-	-
Total Fund Balances	<u>513,904</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 642,251</u>	<u>\$ 265,521</u>	<u>\$ 321,715</u>	<u>\$ 100,366</u>

Exhibit 4

LA4	VOCATIONAL / JAG GRANTS	8(g)	TWENTY FIRST CENTURY	REAP	LA GEAR UP	TOTAL
\$ -	\$ -	\$ -	\$ 19,119	\$ -	\$ -	\$ 622,223
113,516	61,269	27,043	22,169	18,991	-	909,293
-	-	-	-	-	-	60,444
113,516	61,269	27,043	41,288	18,991	-	1,591,960
24,964	9,404	8,913	14,679	5,697	-	332,158
88,552	51,865	18,130	26,609	13,294	-	725,509
-	-	-	-	-	-	20,389
113,516	61,269	27,043	41,288	18,991	-	1,078,056
-	-	-	-	-	-	40,055
-	-	-	-	-	-	473,849
-	-	-	-	-	-	513,904
\$ 113,516	\$ 61,269	\$ 27,043	\$ 41,288	\$ 18,991	\$ -	\$ 1,591,960

RICHLAND PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2013**

	SCHOOL FOOD SERVICE	TITLE I	SPECIAL EDUCATION	TITLE II
REVENUES				
Local sources:				
Interest earnings	\$ 181	\$ -	\$ -	\$ -
Food services	202,212	-	-	-
State sources:				
Equalization	94,829	-	-	-
Other	-	-	8,885	-
Federal sources	1,958,593	1,916,061	1,060,274	320,046
Total Revenues	2,255,815	1,916,061	1,069,159	320,046
EXPENDITURES				
Current:				
Instruction:				
Regular programs	-	161,408	66,062	21,109
Special programs	-	-	560,837	-
Other instructional programs	-	981,166	-	21,108
Support services:				
Student services	-	-	136,910	-
Instructional staff support	-	437,665	240,803	253,852
General administration	-	143,576	64,018	23,977
School administration	-	45,287	-	-
Business services	-	143,350	-	-
Plant services	-	1,669	-	-
Student transportation services	-	1,940	529	-
Food services	2,487,295	-	-	-
Total Expenditures	2,487,295	1,916,061	1,069,159	320,046
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(231,480)	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	199,655	-	-	-
Total Other Financing Sources (Uses)	199,655	-	-	-
Net Change in Fund Balances	(31,825)	-	-	-
FUND BALANCES - BEGINNING	545,729	-	-	-
FUND BALANCES - ENDING	\$ 513,904	\$ -	\$ -	\$ -

Exhibit 5

LA4	VOCATIONAL / JAG GRANTS	8(g)	TWENTY FIRST CENTURY	REAP	LA GEAR UP	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181
-	-	-	-	-	-	202,212
-	-	-	-	-	-	94,829
32,112	-	88,003	-	-	26,994	155,994
240,101	153,628	-	84,865	58,994	-	5,792,562
272,213	153,628	88,003	84,865	58,994	26,994	6,245,778
193,245	-	2,435	72,103	54,811	15,985	587,158
32	-	-	-	-	-	560,869
15,949	145,627	85,568	-	-	11,009	1,260,427
-	-	-	-	-	-	136,910
44,995	-	-	-	-	-	977,315
17,992	7,600	-	6,264	4,183	-	267,610
-	-	-	-	-	-	45,287
-	-	-	-	-	-	143,350
-	-	-	-	-	-	1,669
-	401	-	6,498	-	-	9,368
-	-	-	-	-	-	2,487,295
272,213	153,628	88,003	84,865	58,994	26,994	6,477,258
-	-	-	-	-	-	(231,480)
-	-	-	-	-	-	199,655
-	-	-	-	-	-	199,655
-	-	-	-	-	-	(31,825)
-	-	-	-	-	-	545,729
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 513,904

Richland Parish School Board

Nonmajor Debt Service Funds

School District No. 1
School District No. 2
School District No. 3
School District No. 4

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

RICHLAND PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2013

Exhibit 6

	<u>SCHOOL DISTRICT #1</u>	<u>SCHOOL DISTRICT #2</u>	<u>SCHOOL DISTRICT #3</u>	<u>SCHOOL DISTRICT #4</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	<u>\$ 964,222</u>	<u>\$ 78,075</u>	<u>\$ 1,394,507</u>	<u>\$ -</u>	<u>\$ 2,436,804</u>
TOTAL ASSETS	<u>964,222</u>	<u>78,075</u>	<u>1,394,507</u>	<u>-</u>	<u>2,436,804</u>
LIABILITIES AND FUND BALANCES					
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,260</u>	<u>2,260</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,260</u>	<u>2,260</u>
Fund Balances:					
Restricted	<u>964,222</u>	<u>78,075</u>	<u>1,394,507</u>	<u>(2,260)</u>	<u>2,434,544</u>
Total Fund Balances	<u>964,222</u>	<u>78,075</u>	<u>1,394,507</u>	<u>(2,260)</u>	<u>2,434,544</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 964,222</u>	<u>\$ 78,075</u>	<u>\$ 1,394,507</u>	<u>\$ -</u>	<u>\$ 2,436,804</u>

RICHLAND PARISH SCHOOL BOARD

**NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2013**

Exhibit 7

	<u>SCHOOL DISTRICT #1</u>	<u>SCHOOL DISTRICT #2</u>	<u>SCHOOL DISTRICT #3</u>	<u>SCHOOL DISTRICT #4</u>	<u>TOTAL</u>
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 938,975	\$ 74,546	\$ 1,280,025	\$ 2	\$ 2,293,548
Interest earnings	413	38	654	5	1,110
Total Revenues	<u>939,388</u>	<u>74,584</u>	<u>1,280,679</u>	<u>7</u>	<u>2,294,658</u>
EXPENDITURES					
Current:					
Support services:					
General administration	31,651	2,684	47,469	11,675	93,479
Debt service:					
Principal retirement	340,000	55,000	715,000	-	1,110,000
Interest and bank charges	246,339	9,695	384,130	-	640,164
Bond issuance costs	36,447	-	-	-	36,447
Advance refunding escrow	50,334	-	-	-	50,334
Total Expenditures	<u>704,771</u>	<u>67,379</u>	<u>1,146,599</u>	<u>11,675</u>	<u>1,930,424</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	234,617	7,205	134,080	(11,668)	364,234
OTHER FINANCING SOURCES (USES)					
Refunding bonds issued	5,295,000	-	-	-	5,295,000
Payments to refunded bond escrow agent	<u>(5,258,553)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,258,553)</u>
Total Other Financing Sources (Uses)	<u>36,447</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,447</u>
Net Change in Fund Balances	271,064	7,205	134,080	(11,668)	400,681
FUND BALANCES - BEGINNING	<u>693,158</u>	<u>70,870</u>	<u>1,260,427</u>	<u>9,408</u>	<u>2,033,863</u>
FUND BALANCES - ENDING	<u><u>\$ 964,222</u></u>	<u><u>\$ 78,075</u></u>	<u><u>\$ 1,394,507</u></u>	<u><u>\$ (2,260)</u></u>	<u><u>\$ 2,434,544</u></u>

**Richland Parish School Board
Agency Fund**

SCHOOL ACTIVITIES AGENCY FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

RICHLAND PARISH SCHOOL BOARD
SCHOOL ACITVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2013

Exhibit 8

<u>School</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Delhi Elementary	\$ 34,387	\$ 87,951	\$ 89,572	\$ 32,766
Delhi Junior High	36,960	53,730	60,376	30,314
Delhi High	36,106	167,547	169,576	34,077
Holly Ridge Elementary	22,846	103,014	107,434	18,426
Mangham Elementary	34,067	190,310	177,341	47,036
Mangham Junior High	69,099	79,733	73,981	74,851
Mangham High	58,108	292,598	325,612	25,094
Rayville Elementary	94,283	103,502	80,197	117,588
Rayville Junior High	24,664	114,419	121,296	17,787
Rayville High	50,933	405,955	363,552	93,336
Start Elementary	<u>87,988</u>	<u>260,198</u>	<u>283,322</u>	<u>64,864</u>
Total	<u>\$ 549,441</u>	<u>\$ 1,858,957</u>	<u>\$ 1,852,259</u>	<u>\$ 556,139</u>

Richland Parish School Board

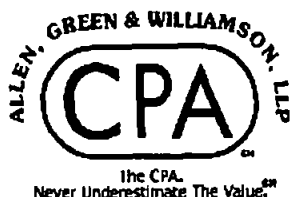
Exhibit 9

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2013**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month, and the president receives \$700 per month for performing the duties of his office.

David Barton, President	\$ 7,800
W. Marie Lewis, Vice President	7,200
Leonard Guine	7,200
William Calvert	7,200
Arthur Ray Farmer	7,200
Kevin Eppinette	7,800
Dee Adams	7,200
Joe Chapman	7,200
Moses Wilkins	<u>7,200</u>
TOTAL	<u>\$66,000</u>

SINGLE AUDIT INFORMATION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA

Matt Carmichael, CPA
Jaime Esswein, CPA, CFE
Jaunicia Mercer, CPA, CFE
Roomi Shakir, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board Members
Richland Parish School Board
Rayville, 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 Richland Parish School Board as of and for the year ended June 30, 2013, 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 January 14, 2014.

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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2013-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2013-002 and 2013-003.

The School Board's Response to Findings

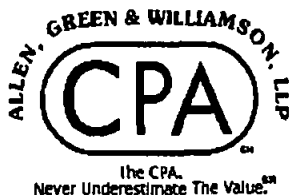
The School Board's response to the findings identified in our audit are described in the accompanying Corrective Action Plan for Current Year Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 14, 2014



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

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**Report on Compliance For Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on the
Schedule of Expenditures of Federal Awards
Required by OMB Circular A-133**

Independent Auditor's Report

Board Members
Richland Parish School Board
Rayville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Richland Parish School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2013. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2013-004 and 2013-005. Our opinion on each major federal program is not modified with respect to these matters.

The School Board's response to the noncompliance findings identified in our audit are described in the accompanying Corrective Action Plan for Current Year Audit Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2013-004 and 2013-005 that we consider to be significant deficiencies.

The School Board's response to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan for Current Year Findings and Questioned Costs. The School Board's

response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

January 14, 2014

Except for Note 6 as to which the date is February 7, 2014

**Richland Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass-Through Grantor No.	Expenditures
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 441,024
National School Lunch Program	10.555	N/A	1,182,730
Summer Food Service Program for Children	10.559	N/A	16,098
Food Distribution (Commodities Noncash)	10.555	N/A	127,668
Total Child Nutrition Cluster			\$ 1,767,520
Fresh Fruit and Vegetable Program	10.582	N/A	191,073
Total United States Department of Agriculture			1,958,593
United States Department of Education			
Passed Through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	84.010A	28-13-T1-42 28-12-T1-42	1,916,061
Special Education Cluster:			
Grants to States (IDEA Part B)	84.027A	28-13-B1-42	1,018,790
Preschool Grants (IDEA Preschool)	84.173A	28-13-P1-42	41,484
Total Special Education Cluster			1,060,274
Career and Technical - Basic Grants to States	84.048	28-13-02-42 28-12-02-42	52,200
Title II - Improving Teacher Quality State Grants	84.367A	28-13-50-42	320,046
21st Century Community Learning Centers	84.287	28-11-C7-42	84,865
Rural Education Achievement Program (REAP)	84.358B	28-13-RE-42	58,994
Total United States Department of Education			3,492,440
United States Department of Health and Human Services			
Passed Through the Louisiana Department of Education:			
TANF	93.558	28-13-36-42 28-13-JS-42	341,529
Total United States Department of Health and			
United States Department of Defense			
Direct Programs:			
Department of the Army			
ROTC	12.609	LA21126	28,079
TOTAL FEDERAL AWARDS			\$ 5,820,641

Richland Parish School Board
Notes to the Schedule of Expenditures of Federal awards
For the Year Ended June 30, 2013

NOTE 1 -GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Richland Parish School Board, Rayville, Louisiana. The Richland Parish School Board (the School Board) reporting entity is defined in Note 1 to the School Board's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies are included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements.

NOTE 3 - RELATIONSHIP TO FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

	<u>Federal Sources</u>
Major:	
General	\$ 28,079
Nonmajor Special Revenue:	
School Food Service	1,958,593
Title I	1,916,061
Special Education	1,060,274
Title II	320,046
LA 4	240,101
Vocational/JAG Grants	153,628
Twenty First Century	84,865
REAP	58,994
Total	<u>\$ 5,820,641</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

NOTE 6 - RESTATEMENT OF THE SCHEDULE OF FINDINGS AND QUESTIONED COSTS Subsequent to issuance of our original report dated January 14, 2014, we had determined the Title I Grant to Local Educational Agencies program (CFDA# 84.010A) needed to be treated as a major program because the School Board was incorrectly considered as a low-risk auditee. The federal audit requirement testing of this program was completed February 7, 2014, resulting in the dual dated Independent Auditor's Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013**

PART I - Summary of the auditor's results

Financial statement audit

- i. The type of audit report issued was unmodified.
- ii. There was one significant deficiency required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiency was not considered to be a material weakness.
- iii. There were two instances of noncompliance, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were two significant deficiencies required to be disclosed by OMB Circular A-133. The significant deficiencies were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance of major federal awards was unmodified.
- vi. The audit disclosed two audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal awards are:

Child Nutrition Cluster:

National School Lunch Program	CFDA #10.555
School Breakfast Program	CFDA #10.553
Summer Feeding Program	CFDA #10.559

TANF Program	CFDA #93.558
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Title I Grants to Local Educational Agencies	CFDA #84.010A
--	---------------

- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2013**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **2013-001** **Control Over Capital Assets**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Proper internal controls over construction projects ensures that a listing is maintained for all construction contracts that are currently being performed during the year to ensure all expenditures, including, but not limited to, work performed by contractors, any subcontractors, or architect services which are paid directly by the School Board are being maintained. Accruals at year end should be recorded to ensure all costs of construction are captured in the totals for construction in progress. The listing will ensure that the total cost of construction projects is tracked until the construction is complete and then the full amount paid during the life of the construction contract will be capitalized and depreciated over an estimated useful life. Also, all assets purchased should be added to the capital asset listing of the School Board as soon as the information is known. Cost of construction projects should be added to the capital asset listing only after completion of the project when total expenses are known.

Condition found: While testing the construction in progress invoices it was determined that retainage payable was not accrued or added to the construction in progress accounts at year end. In addition, in the prior year it was determined that construction in progress accounts were being added to existing assets prior to completion. Review of the prior year finding and relevant information revealed that this addition had not been corrected during the current fiscal year and were manually adjusted by the auditor. There were also items added in the prior year which were below the \$5,000 depreciation threshold which had not been removed from the depreciation schedule but had been manually adjusted by the auditor.

Possible asserted effect (cause and effect):

Cause: It appears that construction in progress accounts are not being monitored over the course of the fiscal year nor are there centrally located files to gather information for these projects. The cause of the failure to correct prior year capital project misstatements is unknown.

Effect: Internal controls over capital asset reporting is weakened.

Recommendations to prevent future occurrences: There should be timely monitoring of the capital projects with information readily available at year end to provide complete, accurate reporting of the construction in progress accounts and other capital asset additions.

View of Responsible Official: The School Board has put procedures in place to ensure accurate calculation of Construction in Progress and will maintain throughout the construction period. While we do ensure that construction in progress are and have always been monitored carefully throughout the year, the new procedures include an updated spreadsheet which will include retainage payable in the cost of construction in progress.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2013**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **2013-002** **State Compliance – Sinking Fund Requirements**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Louisiana Revised Statute 39:704 requires each sinking fund issue to ascertain that the amount of millages levied is reasonable. The balance in the fund should not be more than one year of debt service requirements. The proceeds of any special tax shall constitute a trust fund to be used exclusively for the objects and purposes for which the tax was levied. The records of the taxing authority shall clearly reflect the objects and purposes for which the proceeds of the tax are used.

Condition found: We tested the three sinking funds to determine if the amounts in the fund balances were adequate to fulfill the debt service obligations for the coming year. One fund had an excess of \$131,571 remaining after calculating the required debt service for the coming year. A second fund had an excess of \$153,439 remaining after calculating the required debt service for the coming year.

Possible asserted effect (cause and effect):

Cause: It appears that the millages are not being adjusted downward in order to adjust the fund balances for the sinking funds.

Effect: Taxpayers are paying more than they should in order to pay for the debt.

Recommendations to prevent future occurrences: The School Board should review current millages, determine future needs, and adjust the millage rates accordingly.

View of Responsible Official: The School Board feels this finding could not have been foreseen, nor prevented, or even corrected as it was caused by settlement of long term law suit after millages were set for the year.

Reference # and title: **2013-003** **Cash Deposits Under-Secured**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Louisiana Revised Statute 39:1218 states that “any bank selected as fiscal agency shall give security for the safekeeping and payment of deposits.”

Condition found: During the test of cash deposits it was determined that deposits held at two of the banks were under-secured. One bank’s deposits were under-secured by \$342,323. The second bank was under-secured by \$2,078,528.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2013**

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Possible asserted effect (cause and effect):

Cause: It appears that the bank did not monitor the cash balances near the end of the fiscal year and the School Board did not advise the bank of large deposits to be made near year end.

Effect: The School Board is not in compliance with Louisiana State Law and they have incurred a large custodial credit risk.

Recommendations to prevent future occurrences: The School Board should review balances prior to year end and advise the bank of any large deposits to be made before the end of the fiscal year.

View of Responsible Official: The School Board will take steps to ensure that all deposits are insured properly and have already changed monitoring procedures and spoken with banks where deposits are being held.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

Reference # and title: **2013-004** **Free and Reduced Meal Verifications**

Federal program and specific Federal award identification: This finding relates to the Child Nutrition Cluster: National School Lunch Program CFDA #10.555, School Breakfast Program CFDA #10.553, and Summer Food Service Program CFDA #10.559 from Federal Agency: United States Department of Agriculture passed through Louisiana Department of Education for the award year 2013.

Criteria or specific requirement: For those agencies which have greater than a 20% non-response rate for verifications, the Child Nutrition program is to verify 3% of those applications and direct-certified applications which are error-prone (within \$100 of the income requirement to qualify for free or reduced meals). In addition, good record-keeping requires that supporting documentation be maintained to act as support for reports and information provided to state and federal agencies for possible audits or desk reviews.

Condition found: During the testing of the verification process, it was determined that there were verifications sent out which exceeded the required percentage of applications/direct certifications. In addition, the additional applications chosen were not chosen “for cause,” but were all chosen from those applications which were free based upon food stamps or TANF case numbers. During the testing of the applications, it was noted that there were a large number of applications which were revised immediately after receiving notification that the students were either changed from free to reduced or from reduced to paid status. None of these revised applications were chosen for verification as “for cause.”

Possible asserted effect (cause and effect):

Cause: There were a number of issues with the software at the beginning of the year and most of the applications had to be processed by hand instead of processing with the software which created problems in organizing the applications for the verification process.

Effect: The increase in the number of verifications sent out could affect the non-response rate for future verifications and a lack of support weakens the reporting process.

Recommendations to prevent future occurrences: The Child Nutrition Program should take measures to ensure that only the required number of applications are chosen for verifications and should limit any additional applications chosen to those which are verified “for cause”.

View of Responsible Official: School Food Service just received an Administrative Review for the week of January 7-9, 2014 by the State Department of Education, Nutrition Assistance Department. This review by the State covered many areas including verification. In the States review, the following information was provided by the auditors in answer to the question, “Can extra apps be pulled?” According to the State auditors the review for verification can include apps pulled that are designed to meet certain criteria. Apps pulled first must be the error prone apps. The second group of apps pulled can be pulled for cause. This includes apps to cover the possibility of students dropping prior to the completion of verification, food stamp apps, or apps that are questionable on income.

**Richland Parish School Board
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2013**

Part III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular A-133 Section .510(a):

The State had no findings on the process that I use in pulling apps for verification. There were no issues or letters of assurance that had to be written because this was a finding.

If this is not an issue at the State level, I am not certain what needs to be done to correct the problem at the local level.

Reference # and title: **2013-005** **Title I Targeting**

Federal program and specific federal award identification: This finding relates to Title I CFDA# 84.010A for Federal Award Year 2013, received from Federal Agency U. S. Department of Education passed through Louisiana Department of Education.

Criteria or specific requirement: Federal guidelines require that the School Board determine which schools are eligible to participate in Title I Part A based on poverty measures for children between the ages of 5 to 17. In order to complete this determination, preschool children should be removed from the enrollment numbers.

Condition found: Although the state had the targeting section pre-populated, the Title I personnel did not subtract out preschool children from the enrollment data in determining which schools are eligible to participate. Although there were no changes in total eligibility or rankings of the schools, it was noted that the allocations for all of the schools receiving benefits would have changed using the proper counts.

Possible asserted effect (cause and effect):

Cause: Proper controls and reviews were not in place over the targeting report.

Effect: The report that was submitted to the state contained errors.

Recommendation to prevent future occurrences: A set of procedures and controls should be established by the Title I department with proper reviews to ensure that the report is completed properly before it is submitted.

View of Responsible Official: This will be checked for future e-grants targeting. The targeting section of 2013-2014 e-grant application does not include Pre-K counts. The error due to the pre-population of the e-grant will be noted and checked each year to ensure the Pre-K student numbers are taken out of the targeting.

Other Information

Richland Parish School Board
Summary Status for Prior Year Audit Findings and Questioned Costs
For Year Ended June 30, 2013

Reference # and title: **12-F1** **Student Activity Funds**

Origination date: This finding originated in fiscal year ended June 30, 2010.

Entity-wide or program/department specific: This finding is specific to Student Activity Funds.

Condition: Proper internal controls over student activity funds require that the accounting for student activity funds be current and accurate. Financials should be prepared on a regular basis and provided to the School Board for review.

In reviewing eleven school audits completed by an external auditor for the School Board the following schools appear to exhibit significant deficiencies over internal control for receipts and disbursements:

Rayville High School:

- Two instances in which receipts were not deposited in a timely manner.
- One instance in which receipts from programs sold at a football game were not reconciled until the next school day after the game. Also there was no evidence of dual control over the collections.
- Two checks in which the payment did not appear to be reasonable and necessary. One check was payment to an individual in which there was no written contract and no evidence to document work performed. The other check was to pay a fine to LHSAA.

Delhi High School:

- Three receipts could not be determined if they were fully deposited.
- Two receipts did not have enough documentation to determine if they were deposited in a timely manner.
- Five receipts did not have adequate documentation. In addition, one football receipt was not reconciled
- Eight of the thirty-five invoices selected for testing were not properly canceled to avoid duplicate payment.
- Nine checks were paid without evidence of receipt.
- Six checks did not have proper documentation.
- Four checks did not have adequate documentation to determine if the invoice and check amounts were in agreement.
- Six checks did not have proper documentation.
- Four disbursements did not have the documentation to determine if they were paid timely.

Delhi Elementary School:

- Three receipts were not deposited in a timely manner.
- One check did not have the required two signatures.
- One check did not have evidence of receipt nor were there invoices or other supporting documentation in which to agree amount of the check. Also, due to lack of documentation unable to determine if check was necessary and reasonable or allowable.
- Three disbursements did not have the school purpose documented.

Mangham High School:

- Sixteen checks were outstanding over 90 days old, including one check which had been outstanding for three years. Receipts for one football game did not have a properly completed reconciliation.
- Four invoices were not properly canceled in which to avoid duplicate payment.
- Two checks did not have evidence of receipt nor were there invoices available at the time of the payment thus the checks did not have adequate supporting documentation.
- Two checks were for payment of invoices which were older than 90 days.

Richland Parish School Board
Summary Status for Prior Year Audit Findings and Questioned Costs
For Year Ended June 30, 2013

Corrective action taken: The School Board will continue to work with schools in order to provide adequate training and support to ensure student activity funds are kept accurately. Additionally, the School Board hires a CPA each year to review the schools to assist the School Board in determining if policies and procedure are being followed. This finding is considered cleared.

Reference # and Title: **12-F2** **Controls over Capital Assets**

Origination date: This finding originated in fiscal year ended June 30, 2012.

Entity-Wide or program /department specific: This finding is entity-wide.

Condition: Proper internal controls over construction projects ensures that a listing is maintained for all construction contracts that are currently being performed during the year to ensure all expenditures, including but not limited to work performed by contractors and any subcontractors; which are paid directly by the School Board are being maintained. Accruals at year end should be recorded to ensure all costs of construction are captured in the totals for Construction in Progress. The listing will ensure that the total costs of construction projects is kept tracked of until the construction is complete and then the full amount paid during the life of the construction contract will be capitalized and depreciated over an estimated useful life. Also, all assets purchased should be added to the capital asset listing of the School Board as soon as the information is known. Cost of construction projects should be added to the capital asset listing only after completion of the project when total expenses are known.

While testing current year additions, it was noted that the construction expenses were being added to the capital asset listing to a preexisting asset before completion of the construction project. The School Board was unable to provide a listing of construction in progress for the current fiscal year. While performing the calculation of construction in progress costs, it was noted that construction costs pertaining to the 2012 fiscal year had not been accrued at year end by the School Board.

Corrective action planned: See current year finding 2013-001.

Reference # and title: **12-F3** **JAG Reporting**

Origination date: This finding originated in fiscal year ended June 30, 2010.

Federal program and specific Federal award identification: This finding relates to the Temporary Assistance to Needy Families Program, specifically the Jobs for American Graduates (JAG) grant, CFDA #93.558 from Federal Agency: United States Department of Health and Human Services passed through the Louisiana Department of Education for the award year 2012.

Condition: A requirement of the JAG grant is that students meet or exceed a specified number of barriers to success which are established by the JAG program. In addition, in order to be accepted into the program the student must have a signed parental consent form. The School Board is also required to submit certified JAG rosters twice a year of all students in each class/program.

**Richland Parish School Board
Summary Status for Prior Year Audit Findings and Questioned Costs
For Year Ended June 30, 2013**

While testing the JAG federal program, it was noted that there was not sufficient supporting documentation in which to test reporting compliance requirements related to student barriers. Also, when testing a sample of three certified JAG rosters submitted at mid-year, the following exceptions were noted:

- The School Board was unable to provide a copy of the certified JAG roster for one program requested; the non-certified copy provided for testing included five students that did not enter the program until after mid-year.
- One student was included on the JAG roster at mid-year, yet the student was not in the JAG program at any point during the year.

Corrective action taken: The program director ensured proper and completed supporting documentation was kept to ensure compliance with federal reporting requirements. This finding is considered cleared.

Reference # and title: **12-F4** **Transfers From Child Nutrition Federal Program**

Origination date: This finding originated in fiscal year ended June 30, 2012.

Federal program and specific Federal award identification: This finding relates to the Child Nutrition Cluster: National School Lunch Program CFDA #10.555, School Breakfast Program CFDA #10.553, and Summer Food Service Program CFDA #10.559 from Federal Agency: United States Department of Agriculture passed through the Louisiana Department of Education for the award year 2012.

Condition: Federal regulations state in part that “all transfers out of a federal program should be for the benefit of the federal program”.

While testing of cash transfers, it was noted that a transfer out from the Child Nutrition Program was made and transferred to the General Fund of the School Board. The auditor was unable to determine that this transfer was for the benefit of the Child Nutrition program.

Corrective action taken: The School Board did not make transfers from federal programs and ensured correction of errors did not violate federal program guidelines. This finding is considered cleared.

**Richland Parish School Board
Corrective Action Plan for Current Year Findings and Questioned Costs
For Year Ended June 30, 2013**

Reference # and title: **2013-001** **Control Over Capital Assets**

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Proper internal controls over construction projects ensures that a listing is maintained for all construction contracts that are currently being performed during the year to ensure all expenditures, including, but not limited to, work performed by contractors, any subcontractors, or architect services which are paid directly by the School Board are being maintained. Accruals at year end should be recorded to ensure all costs of construction are captured in the totals for construction in progress. The listing will ensure that the total costs of construction projects are tracked until the construction is complete and then the full amount paid during the life of the construction contract will be capitalized and depreciated over an estimated useful life. Also, all assets purchased should be added to the capital asset listing of the School Board as soon as the information is known. Cost of construction projects should be added to the capital asset listing only after completion of the project when total expenses are known.

While testing the construction in progress invoices it was determined that retainage payable was not accrued or added to the construction in progress accounts at year end. In addition, in the prior year it was determined that construction in progress accounts were being added to existing assets prior to completion. Review of the prior year finding and relevant information revealed that this addition had not been corrected during the current fiscal year and were manually adjusted by the auditor. There were also items added in the prior year which were below the \$5,000 depreciation threshold which had not been removed from the depreciation schedule but had been manually adjusted by the auditor.

Corrective action planned: The School Board has put procedures in place to ensure that CIP is calculated properly with retainage considered and that miscellaneous expenditures in construction are not considered part of the cost of construction in progress.

Person responsible for corrective action plan:

Sheldon Jones, Superintendent
P. O. Box 599
Rayville, LA 71269-0599

Telephone: 318-728-5964
Fax: 318-728-6366

Anticipated completion date: 12/31/2013

Reference # and title: **2013-002** **State Compliance – Sinking Fund Requirements**

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Louisiana Revised Statute 39:704 requires each sinking fund issue to ascertain that the amount of millages levied is reasonable. The balance in the fund should not be more than one year of debt service requirements. The proceeds of any special tax shall constitute a trust fund to be used exclusively for the objects and purposes for which the tax was levied. The records of the taxing authority shall clearly reflect the objects and purposes for which the proceeds of the tax are used.

We tested the three sinking funds to determine if the amounts in the fund balances were adequate to fulfill the debt service obligations for the coming year. One fund had an excess of \$131,571 remaining after calculating the required debt service for the coming year. A second fund had an excess of \$153,439 remaining after calculating the required debt service for the coming year.

Richland Parish School Board
Corrective Action Plan for Current Year Findings and Questioned Costs
For Year Ended June 30, 2013

Corrective action planned: The School Board will continue to monitor sinking fund deposits to ensure collections are as close to required amounts as possible.

Person responsible for corrective action plan:

Sheldon Jones, Superintendent
P. O. Box 599
Rayville, LA 71269-0599

Telephone: 318-728-5964
Fax: 318-728-6366

Anticipated completion date: 6/30/2013

Reference # and title: **2013-003** **Cash Deposits Under-Secured**

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Louisiana Revised Statute 39:1218 states that “any bank selected as fiscal agency shall give security for the safekeeping and payment of deposits.”

During the test of cash deposits it was determined that deposits held at two of the banks were under-secured. One bank’s deposits were under-secured by \$342,323. The second bank was under-secured by \$2,078,528.

Corrective action planned: The School Board will monitor deposits more closely to ensure deposits are being secured sufficiently.

Person responsible for corrective action plan:

Sheldon Jones, Superintendent
P. O. Box 599
Rayville, LA 71269-0599

Telephone: 318-728-5964
Fax: 318-728-6366

Anticipated completion date: 9/30/2013

Reference # and title: **2013-004** **Free and Reduced Meal Verifications**

Federal program and specific Federal award identification: This finding relates to the Child Nutrition Cluster: National School Lunch Program CFDA #10.555, School Breakfast Program CFDA #10.553, and Summer Food Service Program CFDA #10.559 from Federal Agency: United States Department of Agriculture passed through Louisiana Department of Education for the award year 2013.

Condition: For those agencies which have greater than a 20% non-response rate for verifications, the Child Nutrition program is to verify 3% of those applications and direct-certified applications which are error-prone (within \$100 of the income requirement to qualify for free or reduced meals). In addition, good record-keeping requires that supporting documentation be maintained to act as support for reports and information provided to state and federal agencies for possible audits or desk reviews.

**Richland Parish School Board
Corrective Action Plan for Current Year Findings and Questioned Costs
For Year Ended June 30, 2013**

During the testing of the verification process, it was determined that there were verifications sent out which exceeded the required percentage of applications/direct certifications. In addition, the additional applications chosen were not chosen "for cause," but were all chosen from those applications which were free based upon food stamps or TANF case numbers. During the testing of the applications, it was noted that there were a large number of applications which were revised immediately after receiving notification that the students were either changed from free to reduced or from reduced to paid status. None of these revised applications were chosen for verification as "for cause."

Corrective action planned: The School Board will take steps to ensure procedure are followed.

Person responsible for corrective action plan:

Sheldon Jones, Superintendent
P. O. Box 599
Rayville, LA 71269-0599

Telephone: 318-728-5964
Fax: 318-728-6366

Anticipated completion date: 12/31/2013

Reference # and title: **2013-005** **Title I Targeting**

Federal program and specific federal award identification: This finding relates to Title I CFDA# 84.010A for Federal Award Year 2013, received from Federal Agency U. S. Department of Education passed through Louisiana Department of Education.

Condition: Federal guidelines require that the School Board determine which schools are eligible to participate in Title I Part A based on poverty measures for children between the ages of 5 to 17. In order to complete this determination, preschool children should be removed from the enrollment numbers.

Although the state had the targeting section pre-populated, the Title I personnel did not subtract out preschool children from the enrollment data in determining which schools are eligible to participate. Although there were no changes in total eligibility or rankings of the schools, it was noted that the allocations for all of the schools receiving benefits would have changed using the proper counts.

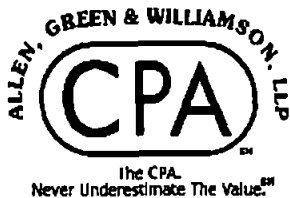
Corrective action plan: Pre-K counts will be subtracted from the pre-populated data in the e-grant each year. The 2013-2014 e-grant does not include Pre-K students in the targeting.

Person responsible for corrective action plan:

Sheldon Jones, Superintendent
P. O. Box 599
Rayville, LA 71269-0599

Telephone: 318-728-5964
Fax: 318-728-6366

Anticipated completion date: 6/4/2013



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Tim Green, CPA
Margie Williamson, CPA
Amy Tynes, CPA
Aimee Buchanan, CPA

Matt Carmichael, CPA
Jaime Esswein, CPA, CFE
Jaunicia Mercer, CPA, CFE
Roomi Shakir, CPA
Cindy Thomason, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Management Letter

Board Members
Richland Parish School Board
Rayville, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Richland Parish School Board for the year ended June 30, 2013 we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated January 14, 2014, on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's responses is summarized as follows:

2013-M1

Travel Disbursements

Comment: The School Board uses the Louisiana Travel Policy as the guidance for payment of travel. The Louisiana travel policy states that policy claims which are greater than \$25 should be submitted within the month following the travel. We tested 12 travel reimbursements and noted 6 of these reimbursements were paid from three to twelve months after the travel had been completed.

Recommendation: To aid in budgeting and year end closing, it is advisable to require employees to submit travel reimbursement requests in a timely manner as well as to follow School Board policy.

Management's response: The School Board has taken steps in meeting with supervisors and principals to ensure travel will be turned in timely.

2013-M2**School Reimbursements**

Comment: The ½ cent sales tax renewal allows for any remaining funds existing after funding the General Fund and the reserve for self-insurance are to be allocated to schools on a per-pupil basis and spent in such a manner as approved by the School Board. It was determined the purpose of the funds paid to schools were for the operations and repairs of the schools. Seventeen payments to seven different schools were tested. Each of these checks contained multiple invoices for reimbursement. Five of the payments were not considered to be for the purpose of operations and repairs for the schools. Four of the payments included payments for athletic trips or club expenses. These athletic teams and clubs have their own accounts through the school activity funds and should be reimbursing these expenses through those school activity fund accounts. Travel and lodging expenses were paid for principals and assistant principals to attend out of town athletic events. These expenses do not appear necessary for the operation of the schools.

Recommendation: The School Board should only use sales tax funds for the operation of the school as a whole and not for specific groups or clubs.

Management's response: The School Board does have a procedure in place to ensure sales tax funds are used for the purpose for which the public voted. These procedures are reviewed with principals and administrative personnel regularly as we will continue.

2013-M3**Bank Reconciliations**

Comment: During the testing of eight bank reconciliations, it was noted that two of the eight bank reconciliations were not prepared timely. Two of the bank reconciliations for the General Fund had outstanding checks dating from 2003 to 2011. Also, two bank reconciliations for the Payroll Fund had outstanding checks dating from 2003 to 2011.

The September, 2012 payroll bank reconciliation had a difference of \$3,788.34 in the voids in order to make the bank statement reconcile.

Recommendation: All bank reconciliations should be performed within thirty days of the receipt of the bank statements to ensure proper recording of revenues and expenditures and that any errors are discovered in a timely manner. All unknown reconciling items should be investigated further until resolved.

Management's response: Bank reconciliations have been brought up to date and difference was resolved in reconciliation. No adjustment was needed to be made to general ledger. Reconciliations will be maintained up to date in the future.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2013 which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Included immediately following this letter is a Status of Prior Management Letter Item. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior management letter item and performed procedures to assess the reasonableness of the Status of Prior Management Letter Item prepared by management, and we would report, as a current-year management item when Allen, Green & Williamson, LLP concludes that the Status of Prior Management Letter Item materially misrepresents the Status of any prior management letter item.

Also included are management's responses to our current year management letter items. We have performed no audit work to verify the content of the responses.

This report is intended solely for the information and use of the School Board, management, others within the School Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 14, 2014

**Richland Parish School Board
Status of Prior Year Management Letter Items
June 30, 2013**

12-M1

Bank Reconciliations

Comment: During the testing of eight bank reconciliations, it was noted that two of the eight bank reconciliations were not prepared timely. Two of the bank reconciliations for the General Fund had outstanding checks dating from 2003 to 2010. Also, the September, 2011 and March, 2012 bank reconciliations for the Payroll Fund had unknown reconciling amounts.

Recommendation: All bank reconciliations should be performed within thirty days of the receipt of the bank statements to ensure proper recording of revenues and expenditures and that any errors are discovered in a timely manner. All unknown reconciling items should be investigated further until resolved.

Management's response: See current year management letter item 2013-M3.

12-M2

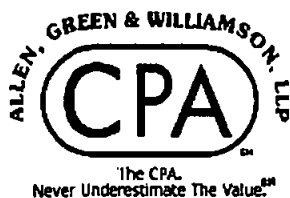
Payroll Disbursements

Comment: While testing payroll disbursements, the following items were noted:

- One employee was paid for eight hours, but worked thirteen hours.
- One employee was a paraprofessional, but was being paid a teacher's salary. There was no supporting documentation for course work which would qualify the employee to teach.

Recommendation: The School Board should ensure that employees are being paid the correct amount and supporting documentation is retained in the employee's file documenting approved rates of pay.

Management's response: Management has taken steps to ensure payroll amounts are correct and that adequate documentation was maintained. This item is considered cleared.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Tim Green, CPA
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(Retired) 1963 - 2000

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Richland Parish School Board
Rayville, Louisiana

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

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

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

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

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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 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.

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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 determine if the individual's education level was properly classified on the schedule.

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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)

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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

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

Comment: One exception was noted as a result of applying agreed upon procedures. One teacher was noted as having more years of experience per Schedule 4 than shown in their personnel file.

Management's Response: The School Board has procedures in place to verify teacher experience however, the teacher noted was employed for a very short time period which did not allow for complete verification.

Public Staff Data (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.

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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 ten classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Comment: No exceptions noted as a result of applying the agreed upon procedure.

Louisiana Educational Assessment Program (LEAP) for the 21st century (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 School Board.

Comment: No exceptions noted as a result of applying the agreed upon procedure.

The Graduation Exit Exam for the 21st Century (Schedule 8)

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 School Board.

Comment: No exceptions noted as a result of applying the agreed upon procedure.

The Iowa Tests (Schedule 9)

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

Comment: No exceptions noted as a result of applying the agreed upon procedure.

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

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

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
January 14, 2014

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2013**

<u>General Fund Instructional and Equipment Expenditures</u>	Column A	Column B
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$10,303,795	
Other Instructional Staff Activities	\$809,687	
Instructional Staff Employee Benefits	\$5,373,161	
Purchased Professional and Technical Services	\$269,308	
Instructional Materials and Supplies	\$371,086	
Instructional Equipment	\$2,702	
Total Teacher and Student Interaction Activities		\$17,129,739
Other Instructional Activities		\$82,202
Pupil Support Services	\$1,173,731	
Less: Equipment for Pupil Support Services	\$0	
Net Pupil Support Services		\$1,173,731
Instructional Staff Services	\$526,717	
Less: Equipment for Instructional Staff Services	\$0	
Net Instructional Staff Services		\$526,717
School Administration	\$2,553,696	
Less: Equipment for School Administration	\$13,001	
Net School Administration		\$2,540,695
Total General Fund Instructional Expenditures (Total of Column B)		\$21,453,084
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		\$395,297
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Ad Valorem Taxes		
Constitutional Ad Valorem Taxes		\$1,593,232
Renewable Ad Valorem Tax		\$1,573,507
Debt Service Ad Valorem Tax		\$2,107,767
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		\$151,044
Result of Court Ordered Settlement (Ad Valorem)		\$253,400
Penalties/Interest on Ad Valorem Taxes		\$59,759
Taxes Collected Due to Tax Incremental Financing (TIF)(Ad Valorem)		\$0
Sales Taxes		
Sales and Use Taxes - Gross		\$8,098,883
Sales/Use Taxes - Court Settlement		\$0
Penalties/Interest on Sales/Use Taxes		\$0
Sales/Use Taxes Collected Due to TIF		\$0
Total Local Taxation Revenue		\$11,837,592
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$63,884
Earnings from Other Real Property		\$0
Total Local Earnings on Investment in Real Property		\$63,884
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$192,396
Revenue Sharing - Other Taxes		\$0
Revenue Sharing - Excess Portion		\$0
Other Revenue in Lieu of Taxes		\$0
Total State Revenue in Lieu of Taxes		\$192,396
Nonpublic Textbook Revenue		\$7,612
Nonpublic Transportation Revenue		\$0

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Education Levels of Public School Staff
As of October 1, 2012

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	0.00	0.00	1.34	0.51	0.00	0.00	0.00	0.00
Bachelor's Degree	137.74	52.24	10.23	3.88	4.12	1.56	0.00	0.00
Master's Degree	56.36	21.38	4.00	1.52	3.84	1.46	0.00	0.00
Master's Degree + 30	32.02	12.14	0.00	0.00	13.99	5.31	0.00	0.00
Specialist in Education	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Ph. D. or Ed. D.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	226.14	85.77	15.57	5.91	21.95	8.33	0.00	0.00

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Number and Type of Public Schools
For the Year Ended June 30, 2013

Type	Number
Elementary	5
Middle/Jr. High	3
Secondary	3
Combination	0
Total	11

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

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2012

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0.00	0.00	0.89	1.77	2.63	2.14	4.30	11.73
Principals	0.00	0.00	0.11	0.00	1.00	2.04	7.07	10.22
Classroom Teachers	25.15	19.02	76.03	32.49	26.17	24.48	38.37	241.71
Total	25.15	19.02	77.03	34.26	29.80	28.66	49.74	263.66

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Public School Staff Data: Average Salaries
For the Year Ended June 30, 2013

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$48,012	\$47,786
Average Classroom Teachers' Salary Excluding Extra Compensation	\$47,877	\$47,707
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	226.22	218.51

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

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Class Size Characteristics
As of October 1, 2012

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	19.72	267	11.45	155	2.73	37	0.00	0
Elementary Activity Classes	2.51	34	2.22	30	0.52	7	0.22	3
Middle/Jr. High	8.49	115	4.43	60	2.51	34	0.00	0
Middle/Jr. High Activity Classes	1.11	15	0.30	4	0.52	7	0.30	4
High	22.45	304	5.10	69	1.85	25	0.22	3
High Activity Classes	2.58	35	0.59	8	0.30	4	0.07	1
Combination	0.00	0	0.00	0	0.00	0	0.00	0
Combination Activity Classes	0.00	0	0.00	0	0.00	0	0.00	0

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

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	9	3%	18	6%	8	2%	23	8%	21	8%	17	5%
Proficient	53	18%	39	14%	53	16%	40	14%	39	14%	48	14%
Basic	112	39%	115	41%	142	43%	89	31%	114	41%	132	40%
Approaching Basic	73	25%	64	23%	82	25%	52	18%	52	19%	73	22%
Unsatisfactory	42	15%	42	15%	49	15%	85	29%	52	19%	64	19%
Total	289	100%	278	100%	334	100%	289	100%	278	100%	334	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	5	2%	7	3%	3	1%	1	0%	3	1%	6	2%
Proficient	29	10%	40	14%	29	9%	33	11%	32	12%	41	12%
Basic	113	39%	114	41%	132	39%	124	43%	115	41%	163	49%
Approaching Basic	91	31%	81	29%	115	34%	63	22%	60	22%	67	20%
Unsatisfactory	51	18%	36	13%	56	17%	68	24%	68	24%	58	17%
Total	289	100%	278	100%	335	100%	289	100%	278	100%	335	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	3	1%	6	3%	6	3%	6	2%	9	4%	8	4%
Proficient	26	9%	27	11%	47	22%	16	6%	13	6%	11	5%
Basic	109	39%	93	39%	100	46%	147	53%	109	46%	146	68%
Approaching Basic	100	36%	88	37%	56	26%	65	23%	74	31%	32	15%
Unsatisfactory	41	15%	23	10%	7	3%	45	16%	31	13%	19	9%
Total	279	100%	237	100%	216	100%	279	100%	236	100%	216	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	1	0%	2	1%	4	2%	3	1%	1	0%	1	0%
Proficient	25	9%	21	9%	27	13%	20	7%	22	9%	17	8%
Basic	115	41%	87	37%	78	36%	113	41%	92	39%	93	43%
Approaching Basic	88	32%	88	37%	64	30%	81	29%	70	30%	67	31%
Unsatisfactory	50	18%	39	16%	43	20%	62	22%	52	22%	38	18%
Total	279	100%	237	100%	216	100%	279	100%	237	100%	216	100%

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced					-	0%					4	2%
Proficient					8	4%					19	11%
Basic					79	44%					86	48%
Approaching Basic					48	27%					28	16%
Unsatisfactory					43	24%					41	23%
Total					178	100%					178	100%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced			2	1%	7	3%			-	0%	4	2%
Proficient			24	13%	26	13%			6	3%	11	5%
Basic			59	33%	68	34%			70	39%	81	40%
Approaching Basic			53	29%	53	26%			59	33%	53	26%
Unsatisfactory			42	23%	47	23%			45	25%	52	26%
Total			180	100%	201	100%			180	100%	201	100%

Please note that the GEE has been discontinued by the Department of Education therefore no new additional scores will be available.

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

/LEAP Tests
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	5	2%	11	5%	5	2%	1	0%
Proficient	33	14%	33	14%	27	11%	20	8%
Basic	76	31%	76	31%	86	35%	87	36%
Approaching Basic	59	24%	50	21%	73	30%	65	27%
Unsatisfactory	70	29%	73	30%	52	21%	69	29%
Total	243	100%	243	100%	243	100%	242	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	5	2%	7	3%	5	2%	7	3%
Proficient	31	15%	24	12%	32	15%	12	6%
Basic	109	53%	109	53%	83	40%	107	52%
Approaching Basic	36	17%	49	24%	70	34%	39	19%
Unsatisfactory	26	13%	18	9%	17	8%	42	20%
Total	207	100%	207	100%	207	100%	207	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	6	2%	12	4%	4	1%	17	6%
Proficient	29	10%	24	8%	31	11%	26	9%
Basic	138	48%	154	53%	128	44%	131	45%
Approaching Basic	80	28%	52	18%	97	33%	70	24%
Unsatisfactory	37	13%	48	17%	30	10%	48	16%
Total	290	100%	290	100%	290	100%	290	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	9	3%	6	2%	3	1%	2	1%
Proficient	30	11%	26	10%	23	9%	27	10%
Basic	117	43%	141	52%	116	43%	121	45%
Approaching Basic	88	33%	55	20%	103	38%	76	28%
Unsatisfactory	26	10%	41	15%	25	9%	44	16%
Total	270	100%	269	100%	270	100%	270	100%

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

/LEAP Tests
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	2	1%	10	4%	4	2%	0	0%
Proficient	43	17%	39	16%	54	22%	36	14%
Basic	95	38%	85	34%	85	34%	98	39%
Approaching Basic	63	25%	63	25%	82	33%	63	25%
Unsatisfactory	48	19%	54	22%	26	10%	54	22%
Total	251	100%	251	100%	251	100%	251	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	7	3%	8	3%	4	2%	3	1%
Proficient	36	14%	26	10%	36	14%	17	7%
Basic	115	45%	127	49%	107	42%	126	49%
Approaching Basic	59	23%	53	21%	80	31%	64	25%
Unsatisfactory	40	16%	43	17%	30	12%	47	18%
Total	257	100%	257	100%	257	100%	257	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advanced	9	3%	13	5%	7	2%	11	4%
Proficient	30	10%	29	10%	27	9%	18	6%
Basic	124	43%	140	49%	125	44%	118	41%
Approaching Basic	90	31%	55	19%	94	33%	92	32%
Unsatisfactory	33	12%	50	17%	34	12%	48	17%
Total	286	100%	287	100%	287	100%	287	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	3	1%	7	3%	3	1%	3	1%
Proficient	26	9%	29	10%	36	13%	28	10%
Basic	127	46%	148	53%	117	42%	113	41%
Approaching Basic	81	29%	50	18%	88	32%	74	27%
Unsatisfactory	42	15%	43	16%	35	13%	61	22%
Total	279	100%	277	100%	279	100%	279	100%

RICHLAND PARISH SCHOOL BOARD
Rayville, Louisiana

/LEAP Tests
For the Year Ended June 30, 2013

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	2	1%	6	3%	6	3%	6	3%
Proficient	29	13%	25	11%	19	8%	22	9%
Basic	86	37%	91	39%	97	42%	107	46%
Approaching Basic	74	32%	64	28%	66	28%	44	19%
Unsatisfactory	41	18%	46	20%	44	19%	53	23%
Total	232	100%	232	100%	232	100%	232	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	4	2%	6	2%	6	2%	2	1%
Proficient	24	9%	15	6%	20	8%	17	7%
Basic	101	39%	122	47%	87	34%	124	48%
Approaching Basic	72	28%	54	21%	96	37%	55	21%
Unsatisfactory	56	22%	60	23%	48	19%	59	23%
Total	257	100%	257	100%	257	100%	257	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	5	2%	16	6%	10	4%	15	5%
Proficient	35	13%	37	14%	26	9%	31	11%
Basic	137	50%	150	55%	124	45%	112	41%
Approaching Basic	63	23%	41	15%	87	32%	60	22%
Unsatisfactory	35	13%	29	11%	28	10%	57	21%
Total	275	100%	273	100%	275	100%	275	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	5	2%	5	2%	3	1%	2	1%
Proficient	40	18%	27	12%	22	10%	14	6%
Basic	104	46%	127	56%	89	39%	110	48%
Approaching Basic	66	29%	45	20%	68	30%	52	23%
Unsatisfactory	12	5%	23	10%	45	20%	49	22%
Total	227	100%	227	100%	227	100%	227	100%