

**CITY OF MONROE SCHOOL BOARD  
MONROE, LOUISIANA**

**Financial Report**

**As of and for the Year Ended June 30, 2023**

	Page
Independent Auditor’s Report .....	1
Management’s Discussion and Analysis (Unaudited) .....	5
<b>Basic Financial Statements</b>	
Statement of Net Position .....	14
Statement of Activities .....	15
Balance Sheet – Governmental Funds.....	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	19
Notes to the Basic Financial Statements .....	20
<b>Required Supplementary Information</b>	
Budgetary Comparison Schedules:	
General Fund (Unaudited).....	61
Title I (Unaudited) .....	62
2001 Sales Tax (Unaudited).....	63
ESSER Cares Act (Unaudited).....	64
Notes to Budgetary Comparison Schedules (Unaudited) .....	65
Schedule of Changes in Net OPEB Liability and Related Ratios.....	70
Schedule of Employer’s Proportionate Share of Net Pension Liability .....	71
Schedule of Employer’s Contributions .....	72
Notes to Required Supplementary Information .....	73
<b>Other Supplementary Information</b>	
Non-Major Governmental Fund Descriptions .....	74
Combining Balance Sheet – Non-Major Governmental Funds.....	76
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Non-Major Governmental Funds.....	77
Combining Balance Sheet – Special Revenue Funds .....	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Special Revenue Funds .....	79
Combining Balance Sheet – Debt Service Funds .....	80

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Debt Service Funds .....	81
Combining Balance Sheet – Capital Projects Funds.....	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Capital Projects Funds.....	83
Schedule of Compensation Paid to Board Members.....	84
Schedule of Compensation, Benefits and Other Payments to Agency Head .....	85
Schedule of Revenues, Expenditures, and Changes in Fund Balances – (GAAP Basis) and Actual	
1968 Sales Tax (Unaudited) .....	86
1994 Sales Tax (Unaudited) .....	87
School Food Service (Unaudited).....	88
Special Education (Unaudited).....	89
 <b>Reports on Internal Control and Compliance Matters</b>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	90
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	92
Schedule of Expenditures of Federal Awards .....	95
Notes to Schedule of Expenditures of Federal Awards .....	97
Schedule of Findings and Questioned Costs.....	99
Summary Schedule of Prior Year Audit Findings and Questioned Costs .....	106
Corrective Action Plan.....	110
 <b>Other Information</b>	
Independent Accountants’ Report on Applying Agreed-Upon Procedures .....	114
Schedule 1 – General Fund Instructional and Support Expenditures and Certain Local Revenue Sources for the Year Ended June 30, 2022 .....	117
Schedule 2 – Class Size Characteristics .....	118



**Carr, Riggs & Ingram, LLC**  
1000 East Preston Avenue  
Suite 200  
Shreveport, LA 71105

Mailing Address:  
P.O. Box 4278  
Shreveport, LA 71134-0278

(318) 222-2222  
(318) 226-7150 (fax)  
CRLcpa.com

## **Independent Auditor's Report**

Board Members  
City of Monroe School Board  
Monroe, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Monroe School Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Monroe School Board's basic financial statements as listed in the table of contents.

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 City of Monroe School Board, as of June 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Monroe School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Monroe School Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Monroe School Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Monroe School Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, other required post-employment benefits and pension schedules, and the budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Monroe School Board's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures and changes in fund balances – budget (GAAP basis) and actual, schedule of compensation paid to board members, schedule of compensation, benefits, and other payments to agency head, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balances – budget (GAAP basis) and actual, the schedule of compensation paid to board members, and the schedule of compensation, benefits, and other payments to agency head, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2024, on our consideration of the City of Monroe School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Monroe School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Monroe School Board's internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

Shreveport, Louisiana  
June 24, 2024

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

## City of Monroe School Board Management's Discussion and Analysis

We offer readers of the City of Monroe School Board's (the "School Board") financial statements this narrative overview and analysis of the financial activities of the City of Monroe School Board for the fiscal year ended June 30, 2023. It is designed to assist the reader in focusing on significant financial issues and identifying changes in the School Board's financial position.

### Financial Highlights

Government-wide financial highlights for the 2022-23 fiscal year include the following:

- Statement of Net Position – The liabilities and deferred inflows of resources of the School Board exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$219.3 million (net deficit).
- Capital Assets – Total capital assets (net of depreciation) were \$113.2 million or 61.2% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Obligations – The School Board's total obligations decreased by approximately \$53.7 million.
- Statement of Activities – The total net deficit of the City of Monroe School Board decreased by approximately \$5.5 million for the year ended June 30, 2023.

The School Board ended the 2022-2023 fiscal year with a fund balance in the General Fund of approximately \$22.9 million.

- Governmental Funds Balance Sheet – As of the close of the 2022-2023 fiscal year, the City of Monroe School Board's governmental funds reported combined ending fund balance of \$56.8 million, an increase of approximately \$4.9 million in comparison with the prior fiscal year. This fund balance is comprised of approximately (1) \$22.9 million in General Fund, (2) \$310 thousand in the debt service funds, and (3) \$33.6 million in the remaining special revenue and capital projects funds.
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – Total revenues for the year ended June 30, 2023 for the governmental funds of the City of Monroe School Board amounted to \$152.1 million. Approximately 95% of this amount is received from four major revenue sources: (1) \$50.5 million from Minimum Foundation Program, (2) \$14.6 million from local ad valorem taxes, (3) \$34.4 million from local sales and use taxes, and (4) \$44.6 million from federal grant awards.

# City of Monroe School Board Management's Discussion and Analysis

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School Board's basic financial statements. The City of Monroe School Board's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

- The Statement of Net Position presents information on all of the School Board's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Monroe School Board is improving or deteriorating.
- The Statement of Activities presents information showing how the School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Monroe School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City of Monroe School Board are governmental funds.

- *Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the City of Monroe School Board near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City of Monroe School Board's near-term financing decision.

## City of Monroe School Board Management's Discussion and Analysis

Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Monroe School Board maintains sixteen governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Title 1, 2001 Sales Tax, and ESSER Cares Act, all of which are considered to be major funds. Data for the other eleven governmental fund groups are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Monroe School Board adopts an annual appropriated budget for its General Fund and all Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School Board's compliance with budgets for its major funds. The combining statements for non-major governmental funds are presented immediately following the required supplementary information.

### **Financial Analysis of Government-wide Activities**

The largest portion of the City of Monroe School Board's total assets, totaling approximately \$113.2 million, which is net of accumulated depreciation of \$85.3 million, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. Debt outstanding related to the investment in capital assets is approximately \$58.7 million. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the City of Monroe School Board's investment in its capital assets net position is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## City of Monroe School Board Management's Discussion and Analysis

The following analysis focuses on the net position of the School Board's governmental-wide activities:

<i>June 30,</i>	2023		2022		Dollar Change	Percentage Change
Current and other assets	\$	71,808,948	\$	66,523,949	\$ 5,284,999	7.9
Capital assets, net		113,228,029		106,645,709	6,582,320	6.2
<b>Total assets</b>		185,036,977		173,169,658	11,867,319	6.9
Deferred outflows of resources		59,948,311		61,191,132	(1,242,821)	(2.0)
Current and other liabilities		19,612,491		18,685,799	926,692	5.0
Long-term liabilities		392,119,484		338,386,382	53,733,102	15.9
<b>Total liabilities</b>		411,731,975		357,072,181	54,659,794	15.3
Deferred inflows of resources		52,571,300		102,100,423	(49,529,123)	(48.5)
<b>Net position</b>						
Net invested in capital assets		54,521,446		44,990,441	9,531,005	21.2
Restricted		28,342,967		26,149,239	2,193,728	8.4
Unrestricted		(303,016,498)		(295,951,494)	(7,065,004)	(2.4)
<b>Total net position (deficit)</b>	\$	(220,152,085)	\$	(224,811,814)	\$ 4,659,729	2.1

Restricted net position of \$28.3 million is reported separately to show the legal constraints for the payment of outstanding long-term debt obligations and future construction projects and to limit the School Board from using these funds for day-to-day operations. Debt Service Funds account for \$311 thousand of the total, \$10.8 million is restricted for salaries and benefits, \$12.1 million is restricted for instructional and maintenance costs and capital projects accounts for \$48 thousand. The remaining balance is monies restricted for salaries and benefits, and instructional and maintenance costs.

## City of Monroe School Board Management's Discussion and Analysis

The following analysis focuses on the change in net position of the School Board's governmental activities:

<i>For the years ended June 30,</i>	2023	2022	Dollar Change	Percentage Change
<b>Revenues</b>				
Program revenues				
Charges for services	\$ 83,114	\$ 66,943	\$ 16,171	24.2
Operating and capital grants and contributions	45,275,718	38,754,952	6,520,766	16.8
General revenues				
Ad valorem taxes	14,602,245	14,147,491	454,754	3.2
Sales taxes	34,408,787	33,338,353	1,070,434	3.2
Minimum foundation program	50,641,151	48,915,852	1,725,299	3.5
Interest and earnings (loss) on investments	697,926	(79,378)	777,304	(979.2)
Other general revenues	7,133,223	6,249,364	883,859	14.1
<b>Total revenues</b>	<b>152,842,164</b>	<b>141,393,577</b>	<b>11,448,587</b>	<b>8.1</b>
<b>Expenses</b>				
Instruction				
Regular programs	43,249,525	34,417,990	8,831,535	25.7
Special education programs	16,494,526	13,276,730	3,217,796	24.2
Vocational programs	1,891,927	1,543,664	348,263	22.6
Other instructional programs	15,634,597	12,794,752	2,839,845	22.2
Special programs	6,391,972	6,747,900	(355,928)	(5.3)
Support services				
Pupil support services	8,654,086	6,911,520	1,742,566	25.2
Instructional staff support	9,645,140	6,882,152	2,762,988	40.1
General administration	3,671,055	3,458,456	212,599	6.1
School administration	6,833,697	5,300,790	1,532,907	28.9
Business services	1,557,015	1,338,927	218,088	16.3
Plant services	13,388,133	11,863,214	1,524,919	12.9
Student transportation services	6,007,178	5,441,658	565,520	10.4
Central services	5,571,275	4,883,841	687,434	14.1
School food services	6,909,503	6,031,093	878,410	14.6
Debt service - interest on long-term obligations	1,448,708	1,174,362	274,346	23.4
<b>Total expenses</b>	<b>147,348,337</b>	<b>122,067,049</b>	<b>25,281,288</b>	<b>20.7</b>
<b>Increase (Decrease) in net position (deficit)</b>	<b>\$ 5,493,827</b>	<b>\$ 19,326,528</b>	<b>\$ (13,832,701)</b>	<b>71.6</b>

### Governmental Activities

Expenses are classified by functions/programs. Instructional services for fiscal year 2023 totaled \$83,662,547 compared to a total of \$68,781,036 for 2022. The remaining functions are considered support services and relate to those functions that support the instructional services provided, such as pupil support, instructional staff support, and administration, transportation, and plant services. Support services for fiscal 2023 totaled \$55,327,579 compared to \$46,080,558 for 2022.

The remaining expenditures of \$8,358,211 consist of \$6,909,503 for food, service operations and \$1,448,708 for interest expense on long-term obligations.

## City of Monroe School Board Management's Discussion and Analysis

The related program revenues for fiscal year 2023 directly related to these expenses were operating and capital grants and contributions in the amount of \$45,275,718 and \$83,114 in charges for such services. The balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- **Minimum Foundation Program (MFP)** – MFP is the funding formula for the 69 school districts in the state of Louisiana. The School Board was allocated \$51,063,175 in MFP funds in FY2023; with \$422,024 allocated to the district's Local Type 2 Charters for other LEA's as an equivalent to the local representation of the School Board. The net amount received by the School Board was \$50,641,151 which is 33.1% of the total revenues received by the School Board.
- **Sales Tax revenues** – Sales tax revenues are the second largest source of revenue for the School Board, generating \$34,408,787 in revenue, or 22.5% of total revenue.
- **Ad Valorem tax revenues** – Ad valorem, or property tax revenues, the third largest source of revenues, accounts for \$14,602,245 in revenue, or 9.6% of total revenues.

### Financial Analysis of Governmental Funds

As noted earlier, the City of Monroe School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City of Monroe School Board's government funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Monroe School Board's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a School Board's net resources available for spending at the end of the fiscal year.

- As of the close of the current fiscal year, the City of Monroe School Board's governmental funds reported a combined ending fund balance of \$56,848,236; an increase of \$4,882,500.
- The General Fund is the chief operating fund of the City of Monroe School Board. At the end of the current fiscal year, the fund balance of the General Fund is \$22,902,458.
- The Special Revenue Funds, including non-major special revenue funds, have a total fund balance of \$33,587,063 of which \$160,349 is non-spendable, \$10,771,936 is restricted for salaries and related benefits, \$17,213,929 is restricted for instructional costs, \$4,606,751 is restricted for food services, and \$834,098 is restricted for student activity funds.
- The Debt Service Funds have a total fund balance of \$311,129 all of which is restricted for the payment of debt service.
- The two Capital Projects Funds have a fund balance totaling \$47,586 all of which is restricted for construction projects.

## City of Monroe School Board Management’s Discussion and Analysis

### General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S 39:1301 et seq), the City of Monroe School Board must adopt a budget for the General Fund and all Special Revenue funds prior to September 15th. The original budget for the School Board was adopted on September 6, 2022.

The original General Fund Budget projected an ending fund balance of \$19.5 million, with the amended budget projecting to end the year with a positive balance of \$21.3 million. The actual ending balance for the General Fund came in at \$22.9 million.

### Capital Assets and Debt Administration

**Capital Assets:** The City of Monroe School Board’s investment in capital assets as of June 30, 2023, amounts to \$113,228,030 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

<i>June 30,</i>	2023		2022	
Land	\$	1,669,547	\$	1,669,547
Buildings and improvements		97,663,551		94,018,363
Furniture and equipment		3,440,604		3,287,875
Construction in progress		10,454,328		7,669,924
<b>Total capital assets, net of depreciation</b>	<b>\$</b>	<b>113,228,030</b>	<b>\$</b>	<b>106,645,709</b>

## City of Monroe School Board Management's Discussion and Analysis

**Long-Term Debt:** At the end of the current fiscal year, the City of Monroe School Board had total debt outstanding of \$58.2 million. Of the amount, \$43.2 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2023 and 2022.

<i>June 30,</i>	2023	2022
General Obligation Bonds		
Series 2014	\$ 2,985,000	\$ 3,900,000
Series 2015	5,135,000	5,890,000
Series 2016	3,005,000	3,945,000
Series 2020	21,385,000	21,555,000
Series 2022	10,670,000	10,720,000
Revenue Bonds		
Series 2009	10,000,000	10,000,000
Series 2011	5,000,000	5,000,000
<b>Total outstanding debt</b>	<b>\$ 58,180,000</b>	<b>\$ 61,010,000</b>

### Future Operations

The School Board established a goal of maintaining a fund balance equal to 15% of the General Fund budgeted expenditures. The district continued to maintain a fund balance that exceeded this goal for the current fiscal year, and anticipates exceeding this goal again for 2023-2024. The School Board adopted a General Fund budget for 2023-2024 with an operating planned deficit \$3,448,198. With this planned deficit spending, the projected ending fund balance still remains significantly above the 15% fund balance goal. For the upcoming fiscal year, listed below are several factors considered for 2023-2024 operations and budget preparations.

- The Louisiana Legislature did not approve a new Minimum Foundation Program formula for 2023-2024; therefore, the previously approved formula for the 2022 Regular Session remains in effect. As a result, there are no changes to the components of the formula for 2023-24. The per-pupil base remained unchanged from the prior four years at \$4,015 in Level 1 funding.
- Sales tax revenue is projected to remain stable with a projected decrease of approximately 1.61%.
- An investigation was conducted, regarding the former Superintendent's submission of altered and falsified documentation related to the purchase of retirement service credits; and the former Superintendent's receipt of a retirement allowance that was not approved as part of the former Superintendent's employment contract. The former Superintendent was allowed to retire effective February 8, 2024.

## **City of Monroe School Board Management's Discussion and Analysis**

- Some school-level issues with Student Activity funds have been identified that will carryover into the 2023-2024 school year.

### **Contacting the School Board's Financial Management**

If you have questions about this report or need additional financial information, contact DaVona Howard of the City of Monroe School Board, P. O. Box 4180, Monroe, LA 71211-4180, or call at (318) 325-0601.

## **BASIC FINANCIAL STATEMENTS**

## City of Monroe School Board Statement of Net Position

	<b>Primary Government Governmental Activities</b>
<b>June 30, 2023</b>	
<b>Assets</b>	
Cash and cash equivalents	\$ 36,036,435
Investments	13,085,887
Receivables	
Ad valorem taxes	8,133
Sales and use taxes	5,789,726
Federal grants	15,705,915
State grants	384,149
Other	348,513
Inventory	205,370
Other assets	244,820
Capital assets, net	113,228,029
Total assets	185,036,977
<b>Deferred outflows of resources</b>	
Deferred outflows related to pension	36,685,668
Deferred outflows related to OPEB	21,106,202
Deferred outflows related to bonds	2,156,441
Total deferred outflows of resources	59,948,311
<b>Liabilities</b>	
Accounts payable	4,091,209
Salaries and wages payable	10,869,504
Interest payable - bonds	380,233
Long-term liabilities	
Due within one year	
Compensated absences	1,202,860
Bonds payable	3,068,685
Due in more than one year	
Retainage payable	473,033
Compensated absences	822,172
Workers compensation	784,687
Other post employment benefits	217,456,373
Net pension liability	116,945,321
Bonds payable	55,637,898
Total liabilities	411,731,975
<b>Deferred inflows of resources</b>	
Deferred inflows related to pension	3,080,087
Deferred inflows related to OPEB	49,491,213
Total deferred outflows of resources	52,571,300
<b>Net position</b>	
Net investment in capital assets	54,521,446
Restricted for	
Instructional costs	5,077,417
Capital projects	47,586
Debt service	309,516
Salaries and related benefits	10,771,936
Instructional and maintenance costs	12,136,512
Student activity funds	834,098
Unrestricted	(303,016,498)
Total net position (deficit)	\$ (219,317,987)

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

**City of Monroe School Board**  
**Statement of Activities**

<i>For the year ended June 30, 2023</i>		Program Revenues		Net (Expense) Revenues and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities
Primary Government				
Governmental Activities				
Instructional services				
Regular programs	\$ 43,249,525	\$ -	\$ 1,319,454	\$ (41,930,071)
Special education programs	16,494,526	-	1,845,340	(14,649,186)
Vocational programs	1,891,927	-	513,196	(1,378,731)
Other instructional programs	15,634,597	44,875	4,189,372	(11,400,350)
Special programs	6,391,972	-	8,504,059	2,112,087
Support services				
Pupil support services	8,654,086	-	2,385,209	(6,268,877)
Instructional staff support services	9,645,140	-	6,407,975	(3,237,165)
General administration	3,671,055	-	5,151	(3,665,904)
School administration	6,833,697	-	201,601	(6,632,096)
Business services	1,557,015	-	137,816	(1,419,199)
Plant services	13,388,133	-	11,913,671	(1,474,462)
Student transportation services	6,007,178	-	1,080,802	(4,926,376)
Central services	5,571,275	-	341,065	(5,230,210)
Noninstructional services				
Food service operations	6,909,503	38,239	6,431,007	(440,257)
Debt service				
Interest on long-term obligations	1,448,708	-	-	(1,448,708)
<b>Total Primary Government</b>	<b>\$ 147,348,337</b>	<b>\$ 83,114</b>	<b>\$ 45,275,718</b>	<b>\$ (101,989,505)</b>
<b>General revenues</b>				
Taxes				
Ad valorem taxes levied for				
General purposes				11,643,537
Debt service purposes				2,958,708
Sales taxes levied for				
General purposes				13,419,427
Salaries and related benefits				20,989,360
Grants and contributions not restricted to specific programs				
Minimum foundation program				50,641,151
State revenue sharing				1,688,536
Interest and investment earnings (loss)				697,926
Other				5,444,687
<b>Total general revenues</b>				<b>107,483,332</b>
Change in net position				5,493,827
Net position (deficit), beginning of year				(224,811,814)
<b>Net position (deficit), end of year</b>				<b>\$ (219,317,987)</b>

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

## City of Monroe School Board Balance Sheet - Governmental Funds

<i>June 30, 2023</i>	General Fund	Title I	2001 Sales Tax	ESSER CARES Act	Non-Major Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 16,710,204	\$ -	\$ 7,547,454	\$ -	\$ 11,778,777	\$ 36,036,435
Investments	250,000	-	12,835,887	-	-	13,085,887
Due from other governments	530,802	3,406,009	3,192,142	9,965,748	5,141,736	22,236,437
Due from other funds	15,548,363	-	-	-	-	15,548,363
Inventory	54,753	-	-	-	150,617	205,370
Other assets	46,981	10,587	9,732	-	144,669	211,969
<b>Total assets</b>	<b>\$ 33,141,103</b>	<b>\$ 3,416,596</b>	<b>\$ 23,585,215</b>	<b>\$ 9,965,748</b>	<b>\$ 17,215,799</b>	<b>\$ 87,324,461</b>
<b>Liabilities and fund balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 1,618,753	\$ 204,944	\$ 273,125	\$ 1,275,959	\$ 685,578	\$ 4,058,359
Salaries and wages payable	8,619,893	434,554	510,209	41,579	1,263,269	10,869,504
Due to other funds	-	2,777,098	725,764	8,648,210	3,397,291	15,548,363
<b>Total liabilities</b>	<b>10,238,646</b>	<b>3,416,596</b>	<b>1,509,098</b>	<b>9,965,748</b>	<b>5,346,138</b>	<b>30,476,226</b>
<b>Fund balances</b>						
<b>Nonspendable</b>						
Inventory and other assets	101,734	-	9,732	-	152,230	263,696
<b>Restricted for</b>						
Salaries and related benefits	-	-	9,929,873	-	842,063	10,771,936
Instructional costs	-	-	-	-	5,077,417	5,077,417
Instructional and maintenance costs	-	-	12,136,512	-	-	12,136,512
Food services	-	-	-	-	4,606,751	4,606,751
Debt service	-	-	-	-	309,516	309,516
Capital projects	-	-	-	-	47,586	47,586
Student activity funds	-	-	-	-	834,098	834,098
Unassigned	22,800,723	-	-	-	-	22,800,723
<b>Total fund balances</b>	<b>22,902,457</b>	<b>-</b>	<b>22,076,117</b>	<b>-</b>	<b>11,869,661</b>	<b>56,848,235</b>
<b>Total liabilities and fund balances</b>	<b>\$ 33,141,103</b>	<b>\$ 3,416,596</b>	<b>\$ 23,585,215</b>	<b>\$ 9,965,748</b>	<b>\$ 17,215,799</b>	<b>\$ 87,324,461</b>

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

## City of Monroe School Board Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

**June 30, 2023**

Total fund balances - governmental funds	\$	56,848,235
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	198,548,600	
Less accumulated depreciation	<u>(85,320,571)</u>	113,228,029
Deferred outflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		36,685,668
Deferred inflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		(3,080,087)
Deferred outflows of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		21,106,202
Deferred inflows of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		(49,491,213)
Deferred outflows of resources related to payments to escrow agents to refund bonded debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		2,156,441
Long-term liabilities, including OPEB liability, net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences payable	(2,025,032)	
General obligation bonds payable	(43,180,000)	
Revenue bonds payable	(15,000,000)	
Retainage payable	(473,033)	
Interest payable	(380,233)	
Worker's compensation IBNR	(784,687)	
Other post employment benefits	(217,456,373)	
Net pension liability	(116,945,321)	
Bond premium	(526,583)	(396,771,262)
<hr/>		
Total net position of governmental activities	\$	<u>(219,317,987)</u>

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

**City of Monroe School Board**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances – Governmental Funds**

<i>For the year ended June 30, 2023</i>	General Fund	Title I	2001 Sales Tax	ESSER CARES Act	Non Major Funds	Total Governmental Funds
<b>Revenues</b>						
Local sources						
Ad valorem taxes	\$ 11,643,537	\$ -	\$ -	\$ -	\$ 2,958,708	\$ 14,602,245
Sales and use taxes	-	-	18,949,604	-	15,459,183	34,408,787
Earnings (loss) on investments	90,724	-	458,445	-	148,756	697,925
Cash payments for meals	-	-	-	-	38,239	38,239
Other local revenue	1,599,208	-	-	-	4,356,146	5,955,354
State sources						
State equalization	50,541,151	-	-	-	-	50,541,151
Revenue sharing	337,715	-	-	-	233,501	571,216
Other unrestricted revenue	-	-	-	-	522,893	522,893
Other restricted revenue	59,669	-	109,353	-	-	169,022
Federal sources						
Federal restricted grants-in-aid	235,081	8,441,968	-	23,095,818	12,787,874	44,560,741
<b>Total revenues</b>	<b>64,507,085</b>	<b>8,441,968</b>	<b>19,517,402</b>	<b>23,095,818</b>	<b>36,505,300</b>	<b>152,067,573</b>
<b>Expenditures</b>						
Current						
Instructional services						
Regular programs	25,465,715	89,114	4,126,790	1,083,561	6,362,496	37,127,676
Special education programs	9,592,496	-	1,741,878	637,907	3,061,906	15,034,187
Vocational programs	900,862	123,680	106,537	45,908	573,467	1,750,454
Other instructional programs	4,705,343	463,395	742,994	2,786,656	6,201,385	14,899,773
Special programs	361,900	4,224,659	39,544	522,913	959,731	6,108,747
Support services						
Pupil support services	4,108,121	662,359	651,696	568,032	2,069,022	8,059,230
Instructional staff support	2,128,911	1,971,629	273,584	1,922,295	2,889,543	9,185,962
General administration	1,178,045	-	2,193,845	5,050	198,041	3,574,981
School administration	4,301,644	-	547,581	170,141	1,199,319	6,218,685
Business services	882,100	4,402	287,664	132,989	131,028	1,438,183
Plant services	6,424,621	6,362	1,871,479	547,493	457,319	9,307,274
Student transportation services	3,693,021	15,898	629,871	458,148	306,812	5,103,750
Central services	1,094,667	-	2,613,913	326,292	1,274,345	5,309,217
Noninstructional services						
Food service operations	227,257	-	399,032	204,099	5,884,472	6,714,860
Debt service						
Principal	2,750	-	-	-	2,830,000	2,832,750
Interest	70,000	-	-	-	1,274,854	1,344,854
Capital outlay	304,899	6,325	1,139,540	11,949,572	49,994	13,450,330
<b>Total expenditures</b>	<b>65,442,352</b>	<b>7,567,823</b>	<b>17,365,948</b>	<b>21,361,056</b>	<b>35,723,734</b>	<b>147,460,913</b>
Excess (deficiency) of revenues over expenditures	(935,267)	874,145	2,151,454	1,734,762	781,566	4,606,660
<b>Other Financing Sources (Uses)</b>						
Proceeds from sale of assets	-	-	-	-	-	-
Insurance proceeds	275,839	-	-	-	-	275,839
Transfers in	3,179,793	-	3,009,754	-	55,475	6,245,022
Transfers out	(827,030)	(874,145)	-	(1,734,762)	(2,809,085)	(6,245,022)
<b>Net other financing sources (uses)</b>	<b>2,628,602</b>	<b>(874,145)</b>	<b>3,009,754</b>	<b>(1,734,762)</b>	<b>(2,753,610)</b>	<b>275,839</b>
Net change in fund balances	1,693,335	-	5,161,208	-	(1,972,044)	4,882,499
Fund balances, beginning of year	21,209,122	-	16,914,909	-	13,841,705	51,965,736
<b>Fund balances, end of year</b>	<b>\$ 22,902,457</b>	<b>\$ -</b>	<b>\$ 22,076,117</b>	<b>\$ -</b>	<b>\$ 11,869,661</b>	<b>\$ 56,848,235</b>

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

## City of Monroe School Board

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

*For the Year Ended June 30, 2023*

---

Net change in fund balance - total governmental funds	\$	4,882,500
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation in the current period.</p>		
Capital outlay		13,450,330
Change in Retainage payable		(473,033)
Depreciation expense		(6,868,010)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
		2,830,000
<p>Amortization of bond premium is an expenditure on the statement of activities</p>		
		118,685
<p>Accrued interest does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		42,255
<p>Change in deferred inflows of resources - pension plans</p>		
		41,799,096
<p>Change in deferred outflows of resources - pension plans</p>		
		8,202,089
<p>Change in deferred inflows of resources - other post employment benefits</p>		
		7,730,028
<p>Change in deferred outflows of resources - other post employment benefits</p>		
		(9,175,350)
<p>Change in deferred outflows of resources - bonds</p>		
		(269,555)
<p>Other postemployment benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		(4,607,799)
<p>Pension benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		(52,162,344)
<p>Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year.</p>		
		73,387
<p>Workers compensation obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>		
		(78,452)
<hr/>		
Change in net position of governmental activities	\$	5,493,827
<hr/>		

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

## City of Monroe School Board Notes to Financial Statements

### **Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Monroe School Board (the School Board) is governed by a seven-member board, each of whom is elected from a single member district. It operates under the authority of the City of Monroe Charter of 1900, as amended by the Mayor-Council Home Rule Charter for the City of Monroe, adopted in August 1979. The School Board is authorized to establish and operate public schools within the City of Monroe.

The School Board is composed of a central office, 19 schools and 2 support facilities. The School Board serves approximately 8,300 students and employs approximately 1,500 persons, of which over 800 are directly involved in the instructional process. The remainder provides ancillary support such as general administration, repair and maintenance, bus transportation and food service. The regular school term normally begins during the latter half of August and runs until the end of May.

#### ***Reporting Entity***

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's financial statements do not include any component units. Additionally, the School Board is a legally separate elected governing body and does not meet the definition of a component unit of any other entity.

#### ***Government Wide and Fund Financial Statements***

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that includes its assets, liabilities, fund equity, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The School Board uses the following fund categories and fund types:

#### ***Governmental Funds***

Governmental funds 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 general fixed assets, and the servicing of general long-term debt.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Governmental funds are divided into major and non-major funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues and expenditures. Major funds are larger, more significant funds. Non-major funds are the governmental funds that do not meet the dollar tests for major funds.

***Measurement Focus, Basis of Accounting and Financial Statement Presentation***

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the School Board.

***Government-Wide Financial Statements***

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.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Government-Wide Financial Statements (Continued)***

*Program Revenues*

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

*General Revenues*

General revenues included in the Statement of Activities derive directly from local property and sales taxes and from unrestricted state grants. General revenues finance the remaining balance of a function not covered by program revenues.

*Allocation of Indirect Expenses*

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

***Fund Financial Statements***

The fund financial statements provide information about the School Board's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School Board reports the following major governmental funds:

*General Fund* - The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in another fund. The General Fund is always a major fund.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund Financial Statements (Continued)***

*Special Revenue Funds* – Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Funds are major funds:

Title I of the Elementary and Secondary Education Act (ESEA) is a federally financed program, which provides for the needs of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

2001 Sales Tax Fund accounts for the collection and distribution of the sales tax levies to provide additional support to the school system to include funding of capital improvements and employee salaries.

ESSER CARES Act Fund is a collection of federal programs that provide local educational agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. Authority for creation of this fund is the Education Stabilization Fund, a component of the recently enacted Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021.

The School Board reports the following non-major governmental funds:

The School Board has nine non-major Special Revenue Funds, two non-major Debt Service Funds and two non-major Capital Projects Funds. For a description of these funds, see the Non-major Funds section of this report starting on page 82.

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

Governmental funds reported in the fund financial statements are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual – that is when they become both measurable and available to pay current period liabilities. Such revenue items are ad valorem, sales and use taxes and federal and state entitlements. Ad valorem taxes are considered measurable in the calendar year of the tax levy. Ad valorem taxes are considered available because they are substantially collected within 60 days subsequent to year end. Sales taxes are considered measurable and available when collected by the vendors. Revenue from state and Federal grants are recorded when the reimbursable expenditure have been incurred.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made early in the following year.

***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position***

*Cash and Cash Equivalents*

Cash and cash equivalents include amounts in interest-bearing demand deposits as well as short-term investments with a maturity date within three months of the date acquired. Short-term investments are stated at cost, which approximates fair value.

Interest earned on balances maintained in the pooled bank account was distributed to the individual funds based on the cash balance maintained by the unrestricted participating fund during the year.

The School Board maintains separate “book” cash accounts for each fund that is pooled within the master bank account. Negative book cash balances appear in the financial statements as a liability, “Due to Other Funds.” The balance of these amounts will be paid primarily through collections of grants receivable reimbursements from the Federal and State Departments of Education.

*Investments*

Investments in fixed income securities are reported at value. Investments in certificates of deposits, which are permitted by GASB No. 31, are reported at cost-basis. 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.

***Interfund Activities and Transactions***

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet.

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Inventory***

Inventory of the School Food Service Fund consists of food and supplies. Inventory is recorded as an expenditure as it is consumed. Inventory is valued at cost on the first-in, first-out (FIFO) method. Commodities provided to the School Board by the United States Department of Agriculture (USDA) through the State Department of Education are reflected as revenue when received and as an expenditure when consumed. Commodities are valued at amounts assigned by the USDA.

***Restricted Assets***

Certain assets of the School Board are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

*Capital projects* are restricted because the proceeds from issuance of bonded debt are dedicated to acquiring and improving school property.

*Debt service* is considered restricted because an ad valorem tax has been levied specifically to meet the principal and interest payments of various bond issues.

*Salaries and related benefits* are considered restricted as it represents undistributed salaries and related benefits from sales taxes restricted exclusively for this purpose.

Sometimes the School Board will make expenditures for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as *restricted* – net position and *unrestricted* – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board's practice to consider *restricted* – net position to have been depleted before *unrestricted* – net position is applied.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Capital Assets***

Capital Assets, which include land, buildings, and equipment, are reported in the governmental-wide financial statements. The School Board considers assets with an initial individual cost of \$5,000 or more and an estimated life of one year or more as a capital asset.

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their acquisition value at the date of donation.

Estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial.

Land and construction in progress are not depreciated. The other property, plant and equipment, and infrastructure of the primary government are depreciated using straight line method over the following useful lives:

<u>Capital asset classes</u>	<u>Lives</u>
Buildings	40 years
Furniture and equipment	3-15 years

***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial 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 so will not be recognized as an outflow of resources (expense/expenditure) until then.

The School Board has three (3) items that qualify for reporting as deferred outflows of resources, the *deferred amount on refunding*, the *deferred outflows related to pensions*, and the *deferred outflows related to other post-employment benefits*, all reported in the government-wide funds statements of net position. The deferred amount on refunding results from debt refinancing, whereby the reacquisition price of the funding debt instruments exceed their net carrying amount. The deferred amount on refunding is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pensions and other post-employment benefits are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and other post-employment benefits as calculated in accordance with GASB Codification Section P52: *Postemployment Benefits Other than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria –*

**City of Monroe School Board  
Notes to Financial Statements**

*Defined Benefit.* The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In addition to liabilities, the statement of financial 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 (revenue) until that time. The School Board has two (2) items that qualify for reporting as deferred inflows of resources. The *deferred inflows related to pensions* are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and other postemployment benefits in accordance with GASB Codification Section P52: *Postemployment Benefits Other than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred inflows related to pensions and other postemployment benefits will be recognized as a reduction to pension expense in future reporting years.

***Compensated Absences***

All employees receive ten sick days each year, with any unused portion being carried forward. Upon retirement, employees with twenty years of service or more are paid for up to 25 days of accumulated sick leave. Only employees who work 12 calendar months per year earn vacation days. The School Board's policy regarding payment of accumulated vacation days is to allow for a maximum accumulation and payment of no more than 30 days with persons credited with days in excess of 30 as of the effective date (July 1, 1994) being grandfathered in at their then-current accumulation.

***Long-Term Obligations***

Bond premiums and discounts, as well as issuance costs, are recognized in the fund financial statements 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.

Costs associated with issuing bonds (bond rating fees, attorney fees, printing, etc.) are expensed as incurred and are reported as expenditures in the fund financial statements. Bond premium from bond sales is reported in the governmental funds as Other Financing Sources when received. Bond premium is reported in the Government-wide Financial Statements as a liability and amortized over the life of the bonds.

***Pensions***

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Other Post-Employment Benefits (OPEB) Liability***

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

***Categories and Classification of Fund Balance***

GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Nonspendable fund balance represents resources that cannot be physically used to settle obligations of the school system, such as food inventory.

Restricted fund balances represent resources restricted by tax ordinances or by local, state or Federal grant regulations for future use and are, therefore, not available for future appropriation or expenditure.

Committed fund balances indicate the School Board's tentative plans for the use of financial resources in a future period. Fund balance commitments are made by Board approved resolutions.

Assigned fund balances are those determined by the Superintendent and Chief Financial Officer, under authority given under a resolution of the Board, as needed for the payment of future commitment.

The School Board had no committed or assigned fund balances at June 30, 2023.

Sometimes the School Board will make expenditures for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as *restricted*, *committed*, *assigned*, and *unassigned* fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

It is the School Board's practice to consider *restricted* fund balance to have been depleted before using any of the components of *unrestricted* fund balance. Further, when the components of *unrestricted* fund balance can be used for the same purpose, *committed* fund balance is depleted first, followed by *assigned* fund balance. *Unassigned* fund balance is applied last.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Revenues and Expenditures/Expenses***

***Sales and Use Taxes***

In May 1968, the voters of Ouachita Parish authorized the City of Monroe School Board and the Ouachita Parish School Board to jointly levy and collect a 0.5% sales and use tax.

The net proceeds of the tax are to be allocated and prorated between the two school boards annually on the basis of average daily membership for the preceding school year. Eighty-eight percent of the sales and use tax revenues received by the School Board are to be used for the payment of the salaries of teachers, as defined by the Louisiana State Department of Education. The remaining twelve percent is to be used for the payment of salaries to designated personnel other than teachers.

In March 1994, the voters of the City of Monroe approved the levy of an additional 0.5% sales and use tax. The net proceeds of the tax are to supplement salaries and benefits of certified teachers and other personnel and to provide additional funds for instructional activities. This sales tax went into effect in July 1994.

In July 2001, the citizens of the City of Monroe approved an additional 1% sales tax for additional support of the School Board. This sales tax went into effect in October 2001.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

***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.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 24, 2024. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**City of Monroe School Board  
Notes to Financial Statements**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Newly Adopted Accounting Pronouncements***

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription assets – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This statement did not have a material effect on the financial statements of the School Board.

The School Board is evaluating the requirements of the above statements and the impact on reporting.

**Note 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

*Custodial credit risk* - The School Board's cash and cash equivalents and investments consist of deposits with financial institutions. State statutes govern the School Board's investment policy. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, and savings accounts or savings certificates of savings and loan associations and repurchase agreements.

Obligations that may be pledged as collateral are obligations of the United States government and its agencies and obligations of the state and its subdivisions. Per Louisiana State law, collateral is not required for funds invested in LAMP.

Differences between School Board's book balances and the bank balances arise because of the net effect of deposits-in-transit and outstanding checks. The following is a schedule of the School Board's cash and cash equivalents at June 30, 2023:

	School Board Book Balances	Bank Balances
Cash on deposit	\$ 35,363,529	\$ 29,937,791
Petty cash	1,100	1,100
Cash equivalents:		
LAMP investments	671,806	671,806
<b>Total cash and cash equivalents</b>	<b>\$ 36,036,435</b>	<b>\$ 30,610,697</b>

**City of Monroe School Board  
Notes to Financial Statements**

**Note 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

The School Board’s deposits are collateralized as follows:

Federal Deposit Insurance Corporation Coverage	\$	250,000
Securities Investor Protection Corporation coverage		250,000
Pledged Securities		38,737,647
<hr/>		
Total collateralized deposits	\$	39,237,647
<hr/>		

*Credit risk.* The School Board’s investments consist of a certificate of deposit and State and Local Government Series (SLGS) securities held by the paying agent thus limiting the School Board’s credit risk at June 30, 2023.

*Concentration of credit risk.* The School Board does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentration.

*Interest rate risk.* The School Board manages its exposure to declines in fair values by limiting the maturity of its investments to no longer than one year.

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates the local government investment pool. Collateral is required for demand deposits, certificates of deposit, savings certificates of savings and loan associations and repurchase agreements at 100% of all amounts not covered by deposit insurance.

The School Board’s investments at June 30, 2023, consist of a certificate of deposit with a carrying value of \$250,000 at cost. It is held by the School Board’s agent in the School Board’s name and is collateralized. Investments of cash of \$840,804 and \$11,995,083 in U.S. government fixed income securities are held in trust by the paying agent, BNY Mellon, for the repayment of the School Board’s Series 2009 and Series 2011 Qualified School Construction Bonds (“QSCB”).

The 2009 QSCB sinking fund consists of \$8,652,745 of fixed income securities that will mature in FY2025 and \$144,517 in cash balances and the 2011 QSCB sinking fund consists of \$3,342,338 of fixed income securities that will mature in FY2026 and \$696,287 in cash balances and is included in “Investments” on the statement of net position.

**Note 3: FAIR VALUE MEASUREMENTS**

GASB Codification Section 3100: *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

**City of Monroe School Board  
Notes to Financial Statements**

**Note 3: FAIR VALUE MEASUREMENTS (Continued)**

The three levels of the fair value hierarchy under the codification are described as follows:

Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School Board has the ability to access.

Level 2 (L2): Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the School Board’s assets at fair value as of June 30, 2023:

	Fair Value	Maturities (in years)			Level
		Less than 1	1 - 5	More than 5	
<b>Investments by fair value level</b>					
Primary government					
Fixed income securities	11,995,083	-	11,995,083	-	L1
<b>Total primary government</b>	<b>\$ 11,995,083</b>	<b>\$ -</b>	<b>\$ 11,995,083</b>	<b>\$ -</b>	
<b>Total investments measured by fair value level</b>	<b>\$ 11,995,083</b>	<b>\$ -</b>	<b>\$ 11,995,083</b>	<b>\$ -</b>	
<b>Investments measured at cost</b>					
Primary government					
Cash and cash equivalents (LAMP)	840,804				
Certificates of deposit	250,000				
<b>Total Investments measured at cost</b>	<b>250,000</b>				
<b>Total investments</b>	<b>\$ 12,245,083</b>				

**City of Monroe School Board  
Notes to Financial Statements**

**Note 3: FAIR VALUE MEASUREMENTS (Continued)**

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023.

*Fixed income securities* – Fixed income securities classified in Level 1 of the fair value hierarchy are valued using quoted market prices for those securities.

**Note 4: CAPITAL ASSETS**

The following is a summary of changes in capital assets during the year ended June 30, 2023:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 1,669,547	\$ -	\$ -	\$ 1,669,547
Construction in progress	7,669,923	12,708,853	9,924,449	\$ 10,454,327
Total capital assets not being depreciated	9,339,470	12,708,853	9,924,449	12,123,874
Capital assets being depreciated				
Buildings and improvements	152,290,403	9,924,449	-	\$ 162,214,852
Furniture and equipment	23,514,877	741,477	46,480	\$ 24,209,874
Total capital assets being depreciated	175,805,280	10,665,926	46,480	186,424,726
Less accumulated depreciation				
Building and improvements	58,272,040	6,279,262	-	64,551,302
Furniture and equipment	20,227,001	588,748	46,480	20,769,269
Total accumulated depreciation	78,499,041	6,868,010	46,480	85,320,571
Total capital assets being depreciated, net	97,306,239	3,797,916	-	101,104,155
Governmental activities capital assets, net	\$ 106,645,709	\$ 16,506,769	\$ 9,924,449	\$ 113,228,029

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 4: CAPITAL ASSETS (Continued)**

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

For the year ended June 30,	2023
<b>Instructional services:</b>	
Regular programs	\$ 3,072,308
Special education programs	20,167
Vocational programs	2,918
Other instructional programs	16,048
Special programs	6,101
<b>Total depreciation expense - instructional services</b>	<b>3,117,542</b>
<b>Support services:</b>	
General administration	8,768
Business services	5,127
Plant services	3,075,032
Student transportation services	497,821
Central services	83,934
Food service operations	79,786
<b>Total depreciation expense - support services</b>	<b>3,750,468</b>
<b>Total depreciation expense</b>	<b>\$ 6,868,010</b>

**Note 5: LONG-TERM OBLIGATIONS**

The following is a summary of changes in Long-Term Obligations for the year ended June 30, 2023:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
<b>Bonds Payable</b>					
General obligation bonds	\$ 46,010,000	\$ -	\$ 2,830,000	\$ 43,180,000	\$ 2,950,000
Unamortized bond premium	645,268	-	118,685	526,583	118,685
Revenue bonds	15,000,000	-	-	15,000,000	-
<b>Total bonds payable</b>	<b>61,655,268</b>	<b>-</b>	<b>2,948,685</b>	<b>58,706,583</b>	<b>3,068,685</b>
Other post employment benefits	212,848,574	4,607,799	-	217,456,373	-
Worker's compensation	706,235	78,452	-	784,687	-
Net Pension Liability	64,782,985	52,162,336	-	116,945,321	-
Compensated absences, net	2,098,419	-	73,387	2,025,032	1,202,860
<b>Total long-term obligations</b>	<b>\$ 342,091,481</b>	<b>\$ 56,848,587</b>	<b>\$ 3,022,072</b>	<b>\$ 395,917,996</b>	<b>\$ 4,271,545</b>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 5: LONG-TERM OBLIGATIONS (Continued)**

Long-term bonds outstanding at June 30, 2023 are comprised of the following:

	Issue	Maturity Date	Rate	Outstanding
<b>General obligation bonds</b>				
Series 2014	2014	3/1/2024	2% - 4%	\$ 2,985,000
Series 2015	2015	3/1/2035	3.125% - 5%	5,135,000
Series 2016	2016	3/1/2036	2% - 4%	3,005,000
Series 2020	2020	3/1/2035	2.301%	21,385,000
Series 2022	2022	3/1/2036	2.530%	10,670,000
<b>Revenue bonds</b>				
Series 2009	2009	10/15/2024	0.50%	10,000,000
Series 2011	2011	3/15/2026	0.40%	5,000,000
<b>Total bonds payable</b>				<b>\$ 58,180,000</b>

Debt service requirements to maturity on all School Board bonds outstanding at June 30, 2023 are as follows:

Year ending June 30,	Governmental Activities					
	General Obligation Bond Series 2014		General Obligation Bond Series 2015		General Obligation Bond Series 2016	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 955,000	\$ 100,394	\$ 785,000	\$ 197,800	\$ 970,000	\$ 100,500
2025	995,000	62,194	810,000	158,550	1,000,000	71,400
2026	1,035,000	32,344	840,000	118,050	1,035,000	41,400
2027	-	-	2,700,000	173,025	-	-
2028	-	-	-	-	-	-
2029-2033	-	-	-	-	-	-
2034-2038	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,985,000</b>	<b>\$ 194,932</b>	<b>\$ 5,135,000</b>	<b>\$ 647,425</b>	<b>\$ 3,005,000</b>	<b>\$ 213,300</b>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 5: LONG-TERM OBLIGATIONS (Continued)**

Year ending June 30,	Governmental Activities					
	General Obligation Bond Series 2020		General Obligation Bond Series 2022		Revenue Bond Series 2009	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 190,000	\$ 472,054	\$ 50,000	\$ 269,951	\$ -	\$ 50,000
2025	265,000	397,244	65,000	254,349	10,000,000	50,000
2026	270,000	392,215	110,000	210,045	-	-
2027	275,000	387,139	2,260,000	207,856	-	-
2028	2,535,000	371,300	70,000	162,882	-	-
2029-2033	13,525,000	1,116,670	4,340,000	676,600	-	-
2034-2038	4,325,000	88,031	3,775,000	157,807	-	-
<b>Total</b>	<b>\$ 21,385,000</b>	<b>\$ 3,224,653</b>	<b>\$ 10,670,000</b>	<b>\$ 1,939,490</b>	<b>\$ 10,000,000</b>	<b>\$ 100,000</b>

Year ending June 30,	Governmental Activities			
	Revenue Bond Series 2011		Total	
	Principal	Interest	Principal	Interest
2024	\$ -	\$ 20,000	\$ 2,950,000	\$ 1,210,699
2025	-	20,000	13,135,000	1,013,737
2026	5,000,000	20,000	8,290,000	814,054
2027	-	-	5,235,000	768,020
2028	-	-	2,605,000	534,182
2029-2033	-	-	17,865,000	1,793,270
2034-2038	-	-	8,100,000	245,838
<b>Total</b>	<b>\$ 5,000,000</b>	<b>\$ 60,000</b>	<b>\$ 58,180,000</b>	<b>\$ 6,379,800</b>

**Note 6: NET INVESTMENT IN CAPITAL ASSETS**

Net investment in capital assets at June 30, 2023 is as follows:

	Governmental Activities
Capital assets (net)	\$ 113,228,029
Outstanding debt related to capital assets	(58,180,000)
Bond premium	(526,583)
<b>Net investment in capital assets</b>	<b>\$ 54,521,446</b>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**NOTE 7: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Individual balances due to/from other funds at June 30, 2023, are as follows:

	Due		Net
	From	To	
<b>Major Funds:</b>			
General Fund	\$ 15,548,363	\$ -	\$ 15,548,363
Title I	-	2,777,098	(2,777,098)
2001 Sales Tax	-	725,764	(725,764)
ESSER Cares Act	-	8,648,210	(8,648,210)
<b>Non-major Funds:</b>			
Special Education	-	674,392	(674,392)
21st Century Community Learnings Centers	-	495,458	(495,458)
1968 Sales Tax	-	765,584	(765,584)
1994 Sales Tax	-	577,345	(577,345)
Other Federal Programs	-	444,057	(444,057)
State Grants	-	31,162	(31,162)
Student Activity Funds	-	409,293	(409,293)
<b>Total</b>	<b>\$ 15,548,363</b>	<b>\$ 15,548,363</b>	<b>\$ -</b>

Transfers to/from other funds for the year ended June 30, 2023 were as follows:

	Transfers		Net
	In	Out	
<b>Major Funds:</b>			
General Fund	\$ 3,179,793	\$ 827,030	\$ 2,352,763
2001 Sales Tax	3,009,754	-	3,009,754
Title I	-	874,145	(874,145)
ESSER Cares Act	-	1,734,762	(1,734,762)
<b>Non-major Funds:</b>			
Special Education	-	285,262	(285,262)
21st Century Community Learnings Centers	-	111,631	(111,631)
Other Federal Programs	52,398	173,978	(121,580)
State Grants	3,077	14	3,063
2001-2002 Sales Tax Bond Sinking	-	2,238,200	(2,238,200)
<b>Total</b>	<b>\$ 6,245,022</b>	<b>\$ 6,245,022</b>	<b>\$ -</b>

## City of Monroe School Board Notes to the Basic Financial Statements

### Note 8: PENSION AND RETIREMENT PLANS

#### *Plan Description*

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS), or the Louisiana State Employees' Retirement System (LASERS), all of which are administered on a statewide basis. The authority to establish and amend the benefit terms of TRSL, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL, LSERS, and LASERS each issue publicly available financial reports that can be obtained at [www.trsl.org](http://www.trsl.org), [www.lasers.net](http://www.lasers.net), and [www.lasersonline.org](http://www.lasersonline.org), respectively.

#### **TRSL**

TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information. Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants. Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

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

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

## City of Monroe School Board Notes to the Basic Financial Statements

### **NOTE 8: PENSION AND RETIREMENT PLANS (Continued)**

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

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

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

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible. Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education. A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

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

## City of Monroe School Board Notes to the Basic Financial Statements

### **Note 8: PENSION AND RETIREMENT PLANS (Continued)**

The Optional Retirement Plan (ORP) was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement. The ORP is a defined contribution pension plan that provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

#### **LSERS**

LSERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Membership is mandatory for all persons employed by a Louisiana Parish or City School Board or by the Lafourche Special Education District #1 who work more than twenty hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

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

Benefit provisions are authorized and amended under Louisiana Revised Statutes. Benefit provisions are dictated by LA R.S. 11:1141 - 11:1153. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit.

## City of Monroe School Board Notes to the Basic Financial Statements

### **Note 8: PENSION AND RETIREMENT PLANS (Continued)**

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

The supplemental allowance was eliminated for members entering the Plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

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

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

The Plan maintains subaccounts within this account reflecting the credits attributed to each participant in the Plan. Interest credited and payments from the DROP account are made in accordance with LA R.S. 11:1152(E)(3). Upon termination of participation in both the Plan and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The Plan also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

## City of Monroe School Board Notes to the Basic Financial Statements

### **Note 8: PENSION AND RETIREMENT PLANS (Continued)**

Effective January 1, 1996, the state legislature authorized the Plan to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP.

The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with LA R.S. 11:1152(F)(3).

#### **LASERS**

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification.

The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity.

As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with 12 years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans.

## City of Monroe School Board Notes to the Basic Financial Statements

### **Note 8: PENSION AND RETIREMENT PLANS (Continued)**

Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than LASER's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) that is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero).

Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

**City of Monroe School Board  
Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student.

The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

***Contributions***

**TRSL**

The employer contribution rate is established annually under LA R.S. 11:101 - 11:104 by the Public Retirement Systems Actuarial Committee (PRSACX) taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2021 are as follows:

TRSL Sub Plan	Contribution Rates	
	School Board	Employees
K-12 Regular Plan	25.2%	8.0%
Plan A	25.2%	9.1%
Plan B	25.2%	5.0%

The School Board's contractually required composite contribution rate for the year ended June 30, 2022, was 25.2% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$11,104,266 for the year ended June 30, 2023.

**City of Monroe School Board  
Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

**LSERS**

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2022 was 28.7%. The actual employer rate for the year ended June 30, 2021 was 28.7%. A difference may exist due to the State Statute that requires the rate to be calculated in advance. Contributions to the pension plan from the School Board were \$1,113,747 for the year ended June 30, 2023.

**LASERS**

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member’s salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2022, for the relative plans follow:

<b>LASERS Plan (Regular Employees and Optional Retirement Plan (ORP))</b>	<b>Plan Status</b>	<b>School Board</b>	<b>Employees</b>
Pre Act 75 (hired before 7/1/2006)	Closed	35.8%	7.5%
Post Act 75 (hired after 6/30/2006)	Open	35.8%	8.0%

The School Board’s contractually required composite contribution rate for the year ended June 30, 2022, was 35.8% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$31,933 for the year ended June 30, 2023.

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

The net pension liabilities were measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board’s proportion of the net pension liability for TRSL and LASERS was based on a projection of the School Board’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Schools Board’s proportion of the net pension liability of LSERS was based on the School Board’s historical contributions.

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

The following table reflects the School Board’s proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2023, and the change compared to the June 30, 2022 proportion:

	<b>Net Pension Liability at June 30, 2023</b>	<b>Proportion at June 30, 2023</b>	<b>Increase (Decrease) to June 30, 2022 Proportion</b>
TRSL	\$ 105,138,808	1.101240%	0.042090%
LSERS	11,024,533	1.657831%	0.005939%
LASERS	781,980	0.010340%	0.003330%
	<u>\$ 116,945,321</u>		

The following table reflects the School Board’s recognized pension expense plus the School Board’s amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2023:

	<b>Pension Expense</b>	<b>Amortization</b>	<b>Total</b>
TRSL	\$ 11,849,743	\$ 997,563	\$ 12,847,306
LSERS	1,876,454	(33,033)	1,843,421
LASERS	103,576	114,937	218,513
	<u>\$ 13,829,773</u>	<u>\$ 1,079,467</u>	<u>\$ 14,909,240</u>

At June 30, 2023, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>TRSL</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Experience	\$ 1,629,615	\$ 303,210
Investment Earnings	5,966,495	-
Assumptions	7,091,560	-
Change in Proportions	8,513,432	2,355,066
Employer Contributions	11,104,266	-
	<u>\$ 34,305,368</u>	<u>\$ 2,658,276</u>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

<u>LSERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience	\$ 261,032	\$ -
Investment Earnings		283,974
Assumptions	397,689	-
Change in Proportion and Difference in Contributions	305,091	21,407
Employer Contributions	1,113,747	-
	<u>\$ 2,077,559</u>	<u>\$ 305,381</u>

<u>LASERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience	\$ 2,133	\$ -
Investment Earnings	62,986	-
Assumptions	14,217	-
Change in Proportion and Difference in Contributions	191,472	116,430
Employer Contributions	31,933	-
	<u>\$ 302,741</u>	<u>\$ 116,430</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
TRSL	\$ 34,305,368	\$ 2,658,276
LSERS	2,077,559	305,381
LASERS	302,741	116,430
	<u>\$ 36,685,668</u>	<u>\$ 3,080,087</u>

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date of \$12,249,946 will be recognized as a reduction of net pension liability in the year ending June 30, 2024. The following table lists the pension contributions made subsequent to the measurement date for each pension plan:

	<u>Subsequent Contributions</u>
TRSL	\$ 11,104,266
LSERS	1,113,747
LASERS	31,933
	<u>\$ 12,249,946</u>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>June 30,</i>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>Total</b>
TRSL	\$ 4,976,969	\$ 3,783,329	\$ 567,969	\$ 11,214,560	\$ 20,542,827
LSERS	694,097	52,984	(637,423)	548,773	658,431
LASERS	49,281	77,845	(15,927)	43,179	154,378
	<u>\$ 5,720,347</u>	<u>\$ 3,914,158</u>	<u>\$ (85,381)</u>	<u>\$ 11,806,512</u>	<u>\$ 21,355,636</u>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023, are as follows:

	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>
<b>Valuation Date</b>	June 30, 2022	June 30, 2022	June 30, 2022
<b>Actuarial Cost Method</b>	Entry Age Normal	Entry Age Normal	Entry Age Normal
<b>Amortization Approach</b>	Closed		
<b>Actuarial Assumptions:</b>			
<b>Expected Remaining Service Lives</b>	5 years	3 years	2 years
<b>Investment Rate of Return</b>	7.25% net of investment expenses	6.80% net of investment expenses	7.25% per annum.
<b>Inflation Rate</b>	2.30% per annum.	2.50%	2.30% per annum.
<b>Salary Increases</b>	3.1% - 4.6% varies depending on duration of service.	3.25% based on 2018 experience study of the System's members	2014-2018 experience study, ranging from 2.6% to 13.8%
<b>Cost of Living Adjustments</b>	None	<p>Cost of living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.</p> <p>The present value of future retirement benefits is based on benefits currently being paid by the System and includes the increase in the actuarial previously granted cost of living increases. The projected benefit payements do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.</p>	
<b>Mortality</b>	<p>Mortality rates based on MP-2017 generational mortality improvement table with the continued future mortality projected using the MP-2017 generational mortality improvement tables.</p> <p>Mortality rates based on the RP-2014 Blue Collar Distinct (males/females) and White Collar (females) Healthy Disabled Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018</p> <p>Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>		
<b>Termination, Disability, and Retirement</b>	<p>Termination, disability, and retirement assumptions were projected based on a five-year (2012-2017) experience study of the System's members.</p> <p>Termination, disability, and retirement assumptions were projected based on a five-year (2013-2017) experience study of the System's members.</p> <p>Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.</p>		

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**NOTE 8: PENSION AND RETIREMENT PLANS (Continued)**

The following table lists the methods used by each of the pension plans in determining the long-term rate of return on pension plan investments:

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

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2022:

Asset Class	Target Allocation			Long-Term Expected Portfolio Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	0.39%
Domestic Equity	31.0%	-	23.0%	4.09%	-	4.57%
International Equity	23.0%	-	31.0%	5.12%	-	5.76%
Domestic Fixed Income	3.0%	-	6.0%	0.49%	-	1.48%
International Fixed Income	14.0%	-	14.0%	3.94%	-	5.04%
Private Assets	24.0%	-	-	6.93%	-	-
Other Private Assets	5.0%	-	-	5.81%	-	-
Fixed Income	-	26.0%	-	-	0.73%	-
Equity	-	39.0%	-	-	2.67%	-
Alternative investments	-	23.0%	26.0%	-	1.85%	8.30%
Real Estate	-	0.0%	-	-	-	-
Real Assets	-	12.0%	-	-	0.62%	-
Risk Parity	-	-	-	-	-	-
Total	100.0%	100.0%	100.0%	n/a	5.87%	5.81%

n/a - amount not provided by Retirement System

**City of Monroe School Board  
Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

**Discount Rate**

The discount rates used to measure the total pension liability for TRSL, LSERS, and LASERS were 7.25%, 6.80%, and 7.25%, respectively, for the year ended June 30, 2023.

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

**Sensitivity of the School Board's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the School Board's proportionate share of the Net Pension Liability (NPL) using the discount rate of each pension plan as well as what the School Board's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<b>1.0% Decrease</b>	<b>Current Discount Rate</b>	<b>1.0% Increase</b>
<b>TRSL</b>			
Discount rate	6.25%	7.25%	8.25%
Share of NPL	\$ 144,391,703	\$ 105,138,808	\$ 69,496,177
<b>LSERS</b>			
Discount rate	5.80%	6.80%	7.80%
Share of NPL	\$ 15,417,295	\$ 11,024,533	\$ 7,270,016
<b>LASERS</b>			
Discount rate	6.25%	7.25%	8.25%
Share of NPL	\$ 983,959	\$ 781,980	\$ 597,804

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

***Support of Non-employer Contributing Entities***

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2023, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$498,140 for its participation in TRSL. LSERS and LASERS do not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS or LASERS for the year ended June 30, 2023.

***Pension Plans Fiduciary Net Position***

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for TRSL, LSERS, and LASERS and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: [www.la.gov](http://www.la.gov).

***Payables to the Pension Plan***

As of June 30, 2023, the School Board had payables due to the pension plans totaling \$2,944,478. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions. The balance due to each of the pension plans is as follows:

	<b>Payables</b>
TRSL	\$ 2,777,993
LSERS	164,913
LASERS	1,572
	\$ 2,944,478

**School Board Sponsored Plan**

The School Board has adopted for its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) section 457. The plan, available to all School Board employees, permits them to defer a portion of their salaries until future years.

The School Board does not make any contributions to the plan. The deferred compensation is not available to employees until termination, retirement or unforeseen emergency. The deferred compensation is available to employee's beneficiaries in case of death.

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 8: PENSION AND RETIREMENT PLANS (Continued)**

**School Board Sponsored Plan (Continued)**

Under the terms of a plan established in accordance with terms of the amended IRC Section 457, all compensation deferred under the plan, all property and rights acquired with those amounts and all income attributable to those amounts and rights are solely the property and rights of the participants and their beneficiaries. As required by the amended IRC Section 457, the School Board has established custodial accounts with an unrelated third party administrator who holds in trust the assets and income of the plan. The trustee holds assets with a fair market value of \$1,285,808 as of June 30, 2023.

**Note 9: OTHER POST-EMPLOYMENT BENEFITS**

As permitted by Louisiana Revised Statute 17:1223, the School Board provides certain continuing health care and life insurance benefits for certain retired employees through the State group insurance plan, an agent multiple employer defined benefit plan. These benefits occur if they reach normal retirement age, as defined under the applicable retirement system (see Note 8), while working for the School Board. Currently the City of Monroe School Board’s postemployment benefits plan provides employees with a choice of participation in one of three medical insurance plans, each with varying benefits: preferred provider organization (PPO), exclusive provider organization (EPO), or health maintenance organization (HMO). LSA-R.S. 42:801 – 859 assigns the authority to establish benefit plans and premium rates and negotiate contracts to the Office of Group Benefits under the direction of the Commissioner of Administration. The Office of Group Benefits’ financial report is included in the Louisiana Comprehensive Annual Financial Report (CAFR), which may be obtained from Office of Statewide Reporting and Accounting Policy’s website at [www.doa.la.gov/osrap](http://www.doa.la.gov/osrap); by writing to P.O. Box 94095, Baton Rouge, Louisiana 70804-9095; or by calling (225) 342-0708.

**Net OPEB Liability**

The components of the net OPEB liability of the School Board at June 30, 2023, were as follows:

Total OPEB liability	\$ 217,456,373
Plan fiduciary net position	-
School Board's net OPEB liability	\$ 217,456,373

The School Board’s net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021.

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)**

**Actuarial Assumptions**

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	3.00%
Discount rates	3.65%

**Mortality Rate**

The mortality rate was determined by using the 2010 General Employees Amount-Weighted Mortality MP-2020 Tables for non-annuitants and post-retirement annuitants.

**Discount Rate**

Although this plan is a defined benefit OPEB plan, which meets the requirements of paragraph 4 of GASB Statement No. 75, the funded ratio is 0% and the total actual and deemed employer contributions are well below the actuarially determined contribution. We have therefore used a discount rate which would be applicable had the requirements of paragraph 4 not been met. That discount rate is 3.65%, which is the value of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2023, the end of the applicable measurement period is an increase from the prior period. The discount rate used to measure the Net OPEB liability as of June 30, 2022 was 3.54%, which was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

**Changes in the Net OPEB Liability**

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2022	\$ 212,848,574	\$ -	\$ 212,848,574
Changes for the Year:			
Service cost	10,141,578	-	10,141,578
Interest on total OPEB liability	7,791,657	-	7,791,657
Effect of assumptions changes or inputs	(7,501,126)	-	(7,501,126)
Benefit payments	(5,824,310)	-	(5,824,310)
Net changes	4,607,799	-	4,607,799
Balance as of June 30, 2023	\$ 217,456,373	\$ -	\$ 217,456,373

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)**

**Sensitivity of the net OPEB liability to changes in the discount rate**

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<b>1.0% Decrease (2.65%)</b>	<b>Current Discount Rate (3.65%)</b>	<b>1.0% Increase (4.65%)</b>
Net OPEB liability	\$ 258,807,792	\$ 217,456,373	\$ 184,795,636

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates**

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	<b>1.0% Decrease</b>	<b>Current Healthcare Trend</b>	<b>1.0% Increase</b>
Net OPEB liability	\$ 178,620,948	\$ 217,456,373	\$ 268,095,242

**OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB**

For the year ended June 30, 2023, the School Board recognized OPEB expense of \$11,877,430. At June 30, 2023, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 4,446,480
Changes in assumptions / inputs	21,106,202	45,044,733
Total	\$ 21,106,202	\$ 49,491,213

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)**

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

Year ended June 30:

2024	\$	(6,055,805)
2025	\$	(4,642,213)
2026	\$	(8,792,312)
2027	\$	(8,055,300)
2028	\$	(839,381)
Thereafter	\$	-

**Payable to the OPEB Plan**

At June 30, 2023, the School Board had no payables to the OPEB Plan.

**Funded Status and Funding Progress**

The School Board has not made any contributions to a postemployment benefits plan trust. Therefore, the plan has no assets, and hence has a funded ratio of zero.

**Note 10: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

The balances of deferred inflows and outflows of resources as of June 30, 2023 consist of:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Bond Refundings	\$ 2,156,441	\$ -
Net Pension Liabilities (GASB 68):		
Teachers' Retirement System of Louisiana (TRSL)	34,305,368	2,658,276
Louisiana State Employees' Retirement System (LASERS)	2,077,559	305,381
Louisiana School Employees' Retirement System (LSE)	302,741	116,430
	<u>36,685,668</u>	<u>3,080,087</u>
Other Post-Employment Benefits (GASB 75)	21,106,202	49,491,213
Balance as of June 30, 2023	<u>\$ 59,948,311</u>	<u>\$ 52,571,300</u>

**City of Monroe School Board**  
**Notes to the Basic Financial Statements**

**Note 11: AD VALOREM TAXES**

The Sheriff of Ouachita Parish, as provided by State law, bills and collects property taxes on behalf of the School Board using the assessed values determined by the tax assessor of Ouachita Parish. For the year ended June 30, 2023, taxes of 34.51 mills were levied on property with assessed valuations totaling \$403,388,000 and were dedicated as follows:

Parish wide taxes:	Levied
School Operations, Maintenance, Aid and Support	27.51 mills
Bonds - Debt Service	7.25 mills
	34.76 mills

The School Board collected \$14,602,245 through June 30, 2023, of which a nominal amount was for prior year(s) levies. Approximately 85% of the homestead exemption is not appropriated by the State of Louisiana and therefore is not collected. Collections are remitted to the School Board monthly.

Below is the property tax calendar in effect for the year ended June 30, 2023:

Millage Rates Adopted	July 27, 2022
Levy Date	November 30, 2022
Tax Bills Mailed	November 30, 2022
Total Taxes are Due	December 31, 2022
Lien Date	January 1, 2023

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

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service Properties, Excluding Land

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

**Note 12: RISK MANAGEMENT**

*Risk Exposure*

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy.

## City of Monroe School Board Notes to the Basic Financial Statements

### **Note 12: RISK MANAGEMENT (Continued)**

#### *Workers' Compensation*

The School Board is self-insured for workers' compensation. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. This liability does not include incremental costs, if any. The current amounts due and payable are recorded in the general fund in the government-wide financial statements.

Risk of loss under workers' compensation statutes is self-insured by the School Board for up to \$200,000 per occurrence, with reinsurance coverage in force for losses in excess of that amount. The self-insured plan is administered by a third party, with the claims under the self-insured amount paid by the General Fund; certain Special Revenue funds reimburse the General Fund for payment of their claims. Consistent with the provisions of GASB Statement No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the School Board uses the General Funds to account for its risk financing activities. During the year ended June 30, 2023, the School Board incurred and paid claims under the worker's compensation plan of approximately \$477,595, net of reimbursements. The liability for worker's compensation claims is \$784,687 as of June 30, 2023.

### **Note 13: COMMITMENTS AND CONTINGENCIES**

#### *Legal*

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 adversely affect the School Board's financial position.

The School Board is defendant in a lawsuit with fourteen (14) certified teachers as plaintiffs alleging that as certified teachers, they are exclusively entitled to receive, as extra compensation, certain portions or percentages of funds that are derived from two (2) local sales tax levies. Class action certification is sought; permitting the plaintiffs to represent every certified teacher presently employed and previously employed dating back to 1968, along with the estates of any now deceased certified teachers employed since 1968. The School Board's liability exposure, in the opinion of counsel, is questionable and indeterminate at this time; therefore, no liability is recorded as of June 30, 2023.

#### *Construction Commitments*

Remaining construction cost contracts for projects is approximately \$10,670,000. This cost will be paid in future periods as work is performed and payments will be made with proceeds remaining from previous bond issues.

## City of Monroe School Board Notes to the Basic Financial Statements

### **Note 13: COMMITMENTS AND CONTINGENCIES (Continued)**

#### *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 the 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.

#### *LLA Investigation*

The Louisiana Legislative Auditor conducted an investigation subsequent to year end related to the former superintendent's employment contracts and retirement service credit purchases. The School Board has responded to the investigation. The Louisiana Legislative Auditor's report and the School Board's response can be found on the Legislative Auditor's website.

The Louisiana Legislative Auditor has started an investigation subsequent to year end related to student activity funds. The investigation is in an ongoing matter and has not been finalized by the issuance of this report.

### **Note 14: CONCENTRATIONS**

Amounts due from governmental agencies represent substantially all of receivables from outside sources. The School Board derives a majority of its revenue from grants by governmental agencies and is, therefore, economically dependent upon these grants.

### **Note 15: ECONOMIC DEPENDENCY**

The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 and February 1 student counts. The state provided \$50,541,151, net of allocations to charter schools, to the School Board, which represents approximately 33.3% of the School Board's total revenues for the year.

**REQUIRED SUPPLEMENTARY INFORMATION**

## City of Monroe School Board Budgetary Comparison Schedule – General Fund (Unaudited)

<i>For the year ended June 30, 2023</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<b>Budgetary Fund Balance, Beginning</b>	\$ 21,209,122	\$ 21,209,122	\$ 21,209,122	\$ -
<b>Resources (inflows)</b>				
Local sources				
Ad valorem taxes				
Constitutional tax	2,805,000	2,786,201	2,870,424	84,223
Renewable tax	8,145,000	8,097,437	8,342,209	244,772
Other than school taxes	410,000	430,000	430,904	904
Earnings on investments	15,000	90,598	90,724	126
Other local revenue	840,000	1,562,470	1,599,208	36,738
<b>Total local sources</b>	<b>12,215,000</b>	<b>12,966,706</b>	<b>13,333,469</b>	<b>366,763</b>
State and federal sources				
State equalization	51,016,493	50,541,151	50,541,151	-
State revenue sharing	250,000	337,715	337,715	-
Other unrestricted revenue	40,000	59,707	-	(59,707)
Other restricted revenue	25,000	-	59,669	59,669
Federal restricted grants-in-aid	235,000	238,347	235,081	(3,266)
<b>Total state and federal sources</b>	<b>51,566,493</b>	<b>51,176,920</b>	<b>51,173,616</b>	<b>(3,304)</b>
Other sources				
Proceeds from sale of assets	1,000	-	-	-
Insurance proceeds	300,000	275,839	275,839	-
Transfers in	2,501,000	2,500,000	3,179,793	679,793
<b>Total other sources</b>	<b>2,802,000</b>	<b>2,775,839</b>	<b>3,455,632</b>	<b>679,793</b>
<b>Total resources</b>	<b>66,583,493</b>	<b>66,919,465</b>	<b>67,962,717</b>	<b>1,043,252</b>
<b>Amounts available for appropriations</b>	<b>87,792,615</b>	<b>88,128,587</b>	<b>89,171,839</b>	<b>1,043,252</b>
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	24,992,381	25,855,295	25,465,715	(389,580)
Special education programs	9,880,662	9,591,962	9,592,496	534
Vocational programs	991,666	917,895	900,862	(17,033)
Other instructional programs	4,790,525	4,705,223	4,705,343	120
Special programs	417,874	361,900	361,900	-
Support Services				
Pupil support services	4,026,826	4,105,345	4,108,121	2,776
Instructional staff support	2,279,184	2,132,136	2,128,911	(3,225)
General administration	1,305,025	1,177,008	1,178,045	1,037
School administration	4,196,336	4,301,644	4,301,644	-
Business services	1,030,161	872,389	882,100	9,711
Plant services	6,701,976	6,460,332	6,424,620	(35,712)
Student transportation services	3,517,788	3,722,168	3,693,021	(29,147)
Central services	1,148,642	1,094,667	1,094,667	-
Non-instructional services				
Food service operations	227,188	227,257	227,257	-
Capital outlay	500,000	304,899	304,899	-
Debt service	874,000	844,304	72,750	(771,554)
Other uses				
Transfers out	100,000	125,000	827,030	702,030
<b>Total charges to appropriations</b>	<b>66,980,234</b>	<b>66,799,424</b>	<b>66,269,381</b>	<b>(530,043)</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ 20,812,381</b>	<b>\$ 21,329,163</b>	<b>\$ 22,902,458</b>	<b>\$ 1,573,295</b>

See notes to budgetary comparison schedules.

**City of Monroe School Board**  
**Budgetary Comparison Schedule – Title I (Unaudited)**

<i>For the year ended June 30, 2023</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<b>Budgetary Fund Balance, Beginning</b>	\$ -	\$ -	\$ -	\$ -
<b>Resources (inflows)</b>				
Federal sources				
Federal restricted grants-in-aid	7,472,980	8,096,413	8,441,968	345,555
Total federal sources	7,472,980	8,096,413	8,441,968	345,555
<b>Total resources</b>	<b>7,472,980</b>	<b>8,096,413</b>	<b>8,441,968</b>	<b>345,555</b>
Amounts available for appropriations	7,472,980	8,096,413	8,441,968	345,555
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	42,274	89,114	89,114	-
Vocational programs	114,550	123,680	123,680	-
Other instructional programs	258,752	463,395	463,395	-
Special programs	3,838,725	4,175,536	4,224,659	49,123
Support services				
Pupil support services	692,324	662,359	662,359	-
Instructional staff support	1,738,433	1,705,560	1,971,629	266,069
Business services	13,251	4,402	4,402	-
Plant services	13,443	5,452	6,362	910
Student transportation services	10,000	15,899	15,898	(1)
Capital outlay	-	-	6,325	6,325
Other uses				
Transfers out	751,228	851,016	874,145	23,129
<b>Total charges to appropriations</b>	<b>7,472,980</b>	<b>8,096,413</b>	<b>8,441,968</b>	<b>345,555</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to budgetary comparison schedules.

**City of Monroe School Board**  
**Budgetary Comparison Schedule – 2001 Sales Tax (Unaudited)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<i>For the year ended June 30, 2023</i>				
<b>Budgetary Fund Balance, Beginning</b>	\$ 16,914,909	\$ 16,914,909	\$ 16,914,909	\$ -
<b>Resources (inflows)</b>				
Local sources				
Sales and use taxes	18,938,000	18,949,762	18,949,604	(158)
Earnings (loss) on investments	-	-	458,445	458,445
State sources				
Other restricted revenues	75,000	100,195	109,353	9,158
Other sources				
Transfers in	-	2,238,200	3,009,754	771,554
<b>Total resources</b>	<b>19,013,000</b>	<b>21,288,157</b>	<b>22,527,156</b>	<b>1,238,999</b>
Amounts available for appropriations	35,927,909	38,203,066	39,442,065	1,238,999
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	4,543,514	4,223,455	4,126,790	(96,665)
Special education programs	1,587,906	1,741,878	1,741,878	-
Vocational programs	104,704	106,537	106,537	-
Other instructional programs	818,173	739,216	742,994	3,778
Special programs	19,257	39,544	39,544	-
Support services				
Pupil support services	637,226	651,696	651,696	-
Instructional staff support	337,883	273,584	273,584	-
General administration	2,465,435	2,223,570	2,193,845	(29,725)
School administration	487,674	547,581	547,581	-
Business services	378,693	300,052	287,664	(12,388)
Plant services	3,061,952	2,453,801	1,871,479	(582,322)
Student transportation services	606,039	633,158	629,871	(3,287)
Central services	2,854,435	2,724,448	2,613,913	(110,535)
Non-Instructional services				
Food service operations	412,367	399,032	399,032	-
Capital outlay	1,020,000	446,231	1,139,540	693,309
Other uses				
Transfers out	-	-	-	-
<b>Total charges to appropriations</b>	<b>19,335,258</b>	<b>17,503,783</b>	<b>17,365,948</b>	<b>(137,835)</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ 16,592,651</b>	<b>\$ 20,699,283</b>	<b>\$ 22,076,117</b>	<b>\$ 1,376,834</b>

See notes to budgetary comparison schedules.

**City of Monroe School Board**  
**Budgetary Comparison Schedule – ESSER Cares Act (Unaudited)**

Total resources	55,778,330	22,749,266	23,095,818	346,552
Amounts available for appropriations	55,778,330	22,749,266	23,095,818	346,552
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	9,784,480	985,598	1,083,561	97,963
Special education programs	30,000	637,632	637,907	275
Vocational programs	1,301,741	34,092	45,908	11,816
Other instructional programs	2,667,499	2,743,179	2,786,656	43,477
Special programs	13,599	522,914	522,913	(1)
Support services				
Pupil support services	542,328	584,472	568,032	(16,440)
Instructional staff support	2,907,757	1,889,613	1,922,295	32,682
General administration	-	5,050	5,050	-
School administration	-	170,141	170,141	-
Business services	405,759	130,368	132,989	2,621
Plant services	918,856	581,993	547,493	(34,500)
Student transportation services	1,244,400	1,021,154	458,148	(563,006)
Central services	1,470,000	296,792	326,292	29,500
Other support services	55,161	-	-	-
Non-Instructional services				
Food service operations	-	204,097	204,099	2
Capital outlay	29,804,826	11,313,647	11,949,572	635,925
Debt services	-	-	-	-
Facility acquisition and construction	-	-	-	-
Other uses				
Transfers out	4,631,924	1,628,524	1,734,762	106,238
Total charges to appropriations	55,778,330.00	22,749,266	23,095,818	346,552
<b>Budgetary Fund Balances, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to budgetary comparison schedules.

## City of Monroe School Board

### Notes to Budgetary Comparison Schedules (Unaudited)

#### Note A – BUDGETS

**General Budget Policies** The School Board utilized the following procedures in establishing the budgetary data reflected in the financial statements:

In July, the Superintendent submits to the School Board proposed annual appropriated budgets for the General Fund and the Special Revenue Funds for the fiscal year commencing July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopts 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. The budget is revised periodically throughout the year, when deemed appropriate, but a balanced budget is always approved.

All budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. All budgets are operational at the departmental or project level. The Superintendent of the School Board is authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board members. 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 School 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 plus projected 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. The effects of budget revisions to the general fund passed during the year were insignificant.

**City of Monroe School Board**  
**Notes to Budgetary Comparison Schedules (Unaudited)**

**Note B – BUDGET TO GAAP RECONCILIATION**

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	General Fund
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 89,171,839
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(21,209,122)
Other financing sources - Transfers from other funds and Insurance Proceeds	(3,455,632)
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 64,507,085
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 66,269,381
Other financing uses - Transfers to other funds	(827,030)
<hr/>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 65,442,351

**City of Monroe School Board**  
**Notes to Budgetary Comparison Schedules (Unaudited)**

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	Title I
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 8,441,968
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	-
Other financing sources	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 8,441,968
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 8,441,968
Other financing uses - Transfers to other funds	(874,145)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 7,567,823

**City of Monroe School Board**  
**Notes to Budgetary Comparison Schedules (Unaudited)**

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	2001 Sales Tax
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 39,442,065
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(16,914,909)
Other financing sources - transfers from other funds	(3,009,754)
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 19,517,402
<hr/>	
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 17,365,948
Other financing uses - transfers from other funds	-
<hr/>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 17,365,948
<hr/>	

**City of Monroe School Board**  
**Notes to Budgetary Comparison Schedules (Unaudited)**

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures	ESSER Cares Act
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 23,095,818
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	-
Other financing uses	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 23,095,818
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 23,095,818
Other financing uses - Transfers to other funds	(1,734,762)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 21,361,056

## City of Monroe School Board Schedule of Changes in Net OPEB Liability and Related Ratios

<i>For the Year Ended June 30,</i>	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Service cost	\$ 10,141,578	\$ 14,503,050	\$ 13,988,132	\$ 8,681,889	\$ 8,286,178	\$ 7,671,437
Interest	7,791,657	5,826,021	5,575,272	6,657,929	6,949,091	6,482,827
Changes of benefit terms	-	-	-	-	-	-
Economic/demographic gains or losses	-	-	(1,846,926)	-	(7,787,835)	(11,280,713)
Changes of assumptions	(7,501,126)	(60,079,720)	4,641,725	46,378,402	7,067,274	(833,659)
Benefit payments	(5,824,310)	(5,213,904)	(5,632,572)	(4,313,631)	(4,177,777)	(4,177,338)
Net change in total OPEB liability	\$ 4,607,799	\$ (44,964,553)	\$ 16,725,631	\$ 57,404,589	\$ 10,336,931	\$ (2,137,446)
Total OPEB liability - beginning	\$ 212,848,574	\$ 257,813,127	\$ 241,087,496	183,682,907	173,345,976	175,483,422
Total OPEB liability - ending (a)	\$ 217,456,373	\$ 212,848,574	\$ 257,813,127	\$ 241,087,496	\$ 183,682,907	\$ 173,345,976
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending (a)-(b)	\$ 217,456,373	\$ 212,848,574	\$ 257,813,127	\$ 241,087,496	\$ 183,682,907	\$ 173,345,976
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%	0%
Covered employee payroll	\$ 52,020,841	\$ 60,283,933	\$ 62,681,200	\$ 45,286,221	\$ 44,856,260	\$ 43,954,546
Net OPEB liability as a percentage of covered employee payroll	418%	353%	411%	532%	409%	394%

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

## City of Monroe School Board Schedule of the Employer's Proportionate Share of the Net Pension Liability

Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
<b>Teachers' Retirement System of Louisiana</b>					
2022	1.101240%	\$ 105,138,808	\$ 55,785,815	188%	72.4%
2021	1.059150%	\$ 56,545,544	\$ 52,803,245	107%	83.9%
2020	0.999850%	\$ 111,219,351	\$ 47,934,908	232%	65.6%
2019	1.028200%	\$ 102,045,449	\$ 48,552,357	210%	68.6%
2018	1.031790%	\$ 101,404,232	\$ 47,155,131	215%	68.2%
2017	1.062300%	\$ 108,905,486	\$ 48,794,800	223%	65.6%
2016	1.073350%	\$ 125,978,361	\$ 49,217,661	256%	59.9%
2015	1.098610%	\$ 118,125,271	\$ 48,484,596	244%	62.5%
2014	1.062880%	\$ 108,641,273	\$ 48,484,596	224%	63.7%
<b>Louisiana School Employees' Retirement System</b>					
2022	1.657831%	\$ 11,024,533	\$ 5,297,077	208%	76.3%
2021	1.651892%	\$ 7,851,722	\$ 4,930,626	159%	82.5%
2020	1.531280%	\$ 12,303,174	\$ 4,631,160	266%	69.7%
2019	1.552373%	\$ 10,867,570	\$ 2,487,665	437%	73.5%
2018	1.566513%	\$ 10,466,458	\$ 2,671,565	392%	75.0%
2017	1.636276%	\$ 10,470,972	\$ 2,877,347	364%	75.0%
2016	1.603258%	\$ 12,094,133	\$ 2,879,970	420%	70.1%
2015	1.564946%	\$ 9,923,745	\$ 2,999,671	331%	74.5%
2014	1.543200%	\$ 8,945,660	\$ 2,999,671	298%	76.2%
<b>Louisiana State Employees' Retirement System</b>					
2022	0.010340%	\$ 781,980	\$ 152,772	512%	63.7%
2021	0.007010%	\$ 385,719	\$ 132,664	291%	72.8%
2020	0.005170%	\$ 427,428	\$ 170,401	251%	58.0%
2019	0.009350%	\$ 677,689	\$ 224,649	302%	62.9%
2018	0.015790%	\$ 1,077,071	\$ 229,747	469%	64.3%
2017	0.012550%	\$ 883,584	\$ 220,264	401%	62.5%
2016	0.016190%	\$ 1,271,642	\$ 233,044	546%	57.7%
2015	0.018390%	\$ 1,250,458	\$ 213,049	587%	62.7%
2014	0.014950%	\$ 934,807	\$ 213,049	439%	65.0%

\*Amounts presented were determined as of the measurement date (previous fiscal year end).

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

## City of Monroe School Board Schedule of Employer's Contributions

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
<b>Teachers' Retirement System of Louisiana</b>					
2023	\$ 11,104,266	\$ 11,104,266	\$ -	\$ 43,039,791	25.8%
2022	\$ 14,392,740	\$ 14,392,740	\$ -	\$ 55,785,815	25.8%
2021	\$ 13,728,844	\$ 13,728,844	\$ -	\$ 52,803,245	26.0%
2020	\$ 12,798,620	\$ 12,798,620	\$ -	\$ 47,934,908	26.7%
2019	\$ 12,868,882	\$ 12,868,882	\$ -	\$ 48,552,357	26.5%
2018	\$ 12,493,276	\$ 12,493,276	\$ -	\$ 47,155,131	26.5%
2017	\$ 12,235,860	\$ 12,235,860	\$ -	\$ 48,794,800	25.1%
2016	\$ 12,829,115	\$ 12,829,115	\$ -	\$ 49,217,661	26.1%
2015	\$ 13,461,987	\$ 13,461,987	\$ -	\$ 48,484,596	27.8%
2014	\$ 12,668,488	\$ 12,668,488	\$ -	\$ 48,484,596	26.1%
<b>Louisiana School Employees' Retirement System</b>					
2023	\$ 1,113,747	\$ 1,113,747	\$ -	\$ 3,880,653	28.7%
2022	\$ 1,520,261	\$ 1,520,261	\$ -	\$ 5,297,077	28.7%
2021	\$ 1,449,604	\$ 1,449,604	\$ -	\$ 4,930,626	29.4%
2020	\$ 1,296,725	\$ 1,296,725	\$ -	\$ 4,631,160	28.0%
2019	\$ 1,243,793	\$ 1,243,793	\$ -	\$ 2,487,665	50.0%
2018	\$ 1,240,486	\$ 1,240,486	\$ -	\$ 2,671,565	46.4%
2017	\$ 1,271,047	\$ 1,271,047	\$ -	\$ 2,877,347	44.2%
2016	\$ 1,344,117	\$ 1,344,117	\$ -	\$ 2,879,970	46.7%
2015	\$ 1,444,156	\$ 1,444,156	\$ -	\$ 2,999,671	48.1%
2014	\$ 1,392,033	\$ 1,392,033	\$ -	\$ 2,999,671	46.4%
<b>Louisiana State Employees' Retirement System</b>					
2023	\$ 31,933	\$ 31,933	\$ -	\$ 79,633	40.1%
2022	\$ 61,262	\$ 61,262	\$ -	\$ 152,772	40.1%
2021	\$ 53,994	\$ 53,994	\$ -	\$ 132,664	40.7%
2020	\$ 69,353	\$ 69,353	\$ -	\$ 170,401	40.7%
2019	\$ 101,963	\$ 101,963	\$ -	\$ 224,649	45.4%
2018	\$ 87,173	\$ 87,173	\$ -	\$ 229,747	37.9%
2017	\$ 83,433	\$ 83,433	\$ -	\$ 220,264	37.9%
2016	\$ 86,692	\$ 86,692	\$ -	\$ 233,044	37.2%
2015	\$ 90,000	\$ 90,000	\$ -	\$ 213,049	42.2%
2014	\$ 64,973	\$ 64,973	\$ -	\$ 213,049	30.5%

\*Amounts presented were determined as of the end of the fiscal year.

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

## City of Monroe School Board Notes to Required Supplementary Information

### *Changes of Benefit Terms*

#### **Louisiana School Employees' Retirement System**

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2022.

#### **Teachers' Retirement System of Louisiana**

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2022.

#### **Louisiana State Employees' Retirement System**

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2022.

### *Changes of Assumptions*

#### **Louisiana School Employees' Retirement System**

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.125% to 7.0625% and the inflation rate was decreased from 2.625% to 2.5%. Salary increases decreased from a range of 3.075% to 5.375% to a rate of 3.25%.

For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.0625% to 7.00%

There were no changes to the discount rate for the year ended June 30, 2020.

For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.00% to 6.90%

For the actuarial valuation for the year ended June 30, 2021, the discount rate was decreased from 7.00% to 6.90%

For the actuarial valuation for the year ended June 30, 2022, the discount rate was decreased from 6.90% to 6.80%

#### **Teachers' Retirement System of Louisiana**

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%

For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.65% to 7.55%

For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.55% to 7.45%

For the actuarial valuation for the year ended June 30, 2021, the discount rate was decreased from 7.45% to 7.40%

For the actuarial valuation for the year ended June 30, 2022, the discount rate was decreased from 7.40% to 7.25%

#### **Louisiana State Employees' Retirement System**

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%.

For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.65% to 7.60%.

For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.60% to 7.55%.

For the actuarial valuation for the year ended June 30, 2021, the discount rate was decreased from 7.55% to 7.40%.

For the actuarial valuation for the year ended June 30, 2022, the discount rate was decreased from 7.40% to 7.25%

**OTHER SUPPLEMENTARY INFORMATION**

## City of Monroe School Board Non-major Governmental Fund Descriptions

### Special Revenue Funds:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds are primarily established for specific educational purposes and funded through the United States Department of Education or the Louisiana Department of Education.

- The Special Education funds is a Federal program that provides free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.
- School Food Service accounts for the revenues and expenditures incurred, in providing to pupils, breakfast and lunch services during the school year and in the Summer Feeding program.
- 1968 Sales Tax Fund accounts for the collection and distribution of a one-half percent sales tax to provide for supplemental salaries to School Board personnel. Certified personnel receive 88% of the collections with classified personnel receiving 12%.
- 1994 Sales Tax Fund accounts for the collection and distribution of a one-half percent sales tax levied to provide additional support to the school system to including funding of employee salaries and instructional purposes.
- The Other Federal Programs funds account for all other federal programs that were not specifically discussed above.
- The State Grants fund account for various programs funded by the Louisiana Department of Education.
- The Local Grants fund account for one grant from a private entity.
- Student Activity Funds account for the revenues and expenditures incurred at the individual School level for clubs, fundraisers, field trips, and other activities at each school.

## **City of Monroe School Board Non-major Governmental Fund Descriptions**

### **Debt Service Funds:**

Debt Service Funds account for the accumulation of resources for the payment of general long-term principal, interest and related costs.

- The Bond Redemption Fund accounts for the 2014 General Obligation Bonds and the 2003 and 2010 Refunding Bonds.
- The 2001-2002 Sales Tax Bond Sinking Fund accounts for the 2010 and 2011 Series Sales Tax Refunding Bonds.

### **Capital Projects Funds:**

Capital Projects Funds account for the financial resources received and used for the acquisition, construction or improvements of capital facilities not reported in other governmental funds.

- The Capital Projects Fund accounts for resources accumulated and expended for improvements, acquisitions and construction of School Board Facilities.
- The GO Bonds 2016 Capital Projects Fund (issued June 2016) accounts from the issuance of \$10,875,000 of General Obligation Bonds for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto; purchasing, erecting and/or improving school buildings and other school related facilities.

**City of Monroe School Board**  
**Combining Balance Sheet – Non-Major Governmental Funds**

<i>June 30, 2023</i>	<b>Total Special Revenue</b>	<b>Total Debt Service</b>	<b>Total Capital Projects</b>	<b>Total Non-major Funds</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 11,423,481	\$ 307,710	\$ 47,586	\$ 11,778,777
Investments	-	-	-	-
Accounts receivable	5,139,930	1,806	-	5,141,736
Inventory	150,617	-	-	150,617
Other assets	143,056	1,613	-	144,669
<b>Total assets</b>	<b>\$ 16,857,084</b>	<b>\$ 311,129</b>	<b>\$ 47,586</b>	<b>\$ 17,215,799</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 685,578	\$ -	\$ -	\$ 685,578
Salaries and wages payable	1,263,269	-	-	1,263,269
Due to other funds	3,397,291	-	-	3,397,291
<b>Total liabilities</b>	<b>5,346,138</b>	<b>-</b>	<b>-</b>	<b>5,346,138</b>
<b>Fund Balances</b>				
Nonspendable				
Inventory and other assets	150,617	1,613	-	152,230
Restricted for				
Salaries and related benefits	842,063	-	-	842,063
Instructional costs	5,077,417	-	-	5,077,417
Food services	4,606,751	-	-	4,606,751
Student Activity Funds	834,098	-	-	834,098
Debt service	-	309,516	-	309,516
Capital projects	-	-	47,586	47,586
<b>Total fund balances</b>	<b>11,510,946</b>	<b>311,129</b>	<b>47,586</b>	<b>11,869,661</b>
<b>Total liabilities and fund balances</b>	<b>\$ 16,857,084</b>	<b>\$ 311,129</b>	<b>\$ 47,586</b>	<b>\$ 17,215,799</b>

**City of Monroe School Board**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances – Non-Major Governmental Funds**

<i>Year ended June 30, 2023</i>	<b>Total Special Revenue</b>	<b>Total Debt Service</b>	<b>Total Capital Projects</b>	<b>Total Non-major Funds</b>
<b>Revenues</b>				
Local Sources				
Ad valorem tax	\$ -	\$ 2,958,708	\$ -	\$ 2,958,708
Sales and use taxes	15,459,183	-	-	15,459,183
Earnings on investments	131,548	14,915	2,293	148,756
Cash payments for meals	38,239	-	-	38,239
Other local revenue	4,356,146	-	-	4,356,146
State Sources				
Restricted grants-in-aid	233,501	-	-	233,501
Other unrestricted revenue	522,893	-	-	522,893
Federal Sources				
Restricted grants-in-aid	12,787,874	-	-	12,787,874
<b>Total revenues</b>	<b>33,529,384</b>	<b>2,973,623</b>	<b>2,293</b>	<b>36,505,300</b>
<b>Expenditures</b>				
Current				
Instructional				
Regular programs	6,362,496	-	-	6,362,496
Special education programs	3,061,906	-	-	3,061,906
Vocational programs	573,467	-	-	573,467
Other instructional programs	6,201,385	-	-	6,201,385
Special programs	959,731	-	-	959,731
Support Services				
Pupil support services	2,069,022	-	-	2,069,022
Instructional staff	2,889,543	-	-	2,889,543
General administration	111,337	86,704	-	198,041
School administration	1,199,319	-	-	1,199,319
Business services	131,028	-	-	131,028
Plant services	457,319	-	-	457,319
Student transportation services	306,812	-	-	306,812
Central services	1,274,345	-	-	1,274,345
Noninstructional				
Food service operations	5,884,472	-	-	5,884,472
Debt service				
Principal	-	2,830,000	-	2,830,000
Interest	-	1,274,854	-	1,274,854
Capital outlay	49,994	-	-	49,994
<b>Total expenditures</b>	<b>31,532,176</b>	<b>4,191,558</b>	<b>-</b>	<b>35,723,734</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>1,997,208</b>	<b>(1,217,935)</b>	<b>2,293</b>	<b>781,566</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	55,475	-	-	55,475
Transfers out	(570,885)	(2,238,200)	-	(2,809,085)
<b>Total other financing sources (Uses)</b>	<b>(515,410)</b>	<b>(2,238,200)</b>	<b>-</b>	<b>(2,753,610)</b>
<b>Net Change in Fund Balances</b>	<b>1,481,798</b>	<b>(3,456,135)</b>	<b>2,293</b>	<b>(1,972,044)</b>
<b>Fund Balances, beginning of year</b>	<b>10,029,148</b>	<b>3,767,264</b>	<b>45,293</b>	<b>13,841,705</b>
<b>Fund Balances, end of year</b>	<b>\$ 11,510,946</b>	<b>\$ 311,129</b>	<b>\$ 47,586</b>	<b>\$ 11,869,661</b>

## City of Monroe School Board Combining Balance Sheet – Non-Major Special Revenue Funds

	Special Revenue Funds									Total
	Special Education	School Food Service	21st Century Community Learning Centers	1968 Sales Tax	1994 Sales Tax	Other Federal Programs	State Grants	Local Grants	School Activity Funds	Non-major Special Revenue Funds
<i>June 30, 2023</i>										
<b>Assets</b>										
Cash and cash equivalents	\$ -	\$ 4,662,307	\$ -	\$ 134,615	\$ 4,486,951	\$ 243,798	\$ 652,419	\$ -	\$ 1,243,391	\$ 11,423,481
Due from other governments	1,092,278	187,520	525,794	1,015,934	1,591,469	688,080	38,855	-	-	5,139,930
Inventory	-	150,617	-	-	-	-	-	-	-	150,617
Other assets	13,573	-	-	-	122,358	7,125	-	-	-	143,056
<b>Total assets</b>	<b>\$ 1,105,851</b>	<b>\$ 5,000,444</b>	<b>\$ 525,794</b>	<b>\$ 1,150,549</b>	<b>\$ 6,200,778</b>	<b>\$ 939,003</b>	<b>\$ 691,274</b>	<b>\$ -</b>	<b>\$ 1,243,391</b>	<b>\$ 16,857,084</b>
<b>Liabilities and Fund Balances</b>										
<b>Liabilities</b>										
Accounts payable	\$ 368,045	\$ 42,157	\$ 30,336	\$ -	\$ 163,066	\$ 39,187	\$ 42,787	\$ -	\$ -	\$ 685,578
Salaries and wages payable	63,414	200,919	-	305,887	486,643	179,417	26,989	-	-	1,263,269
Due to other funds	674,392	-	495,458	765,584	577,345	444,057	31,162	-	409,293	3,397,291
<b>Total liabilities</b>	<b>1,105,851</b>	<b>243,076</b>	<b>525,794</b>	<b>1,071,471</b>	<b>1,227,054</b>	<b>662,661</b>	<b>100,938</b>	<b>-</b>	<b>409,293</b>	<b>5,346,138</b>
<b>Fund Balances</b>										
Nonspendable										
Inventory and prepaids	-	150,617	-	-	-	-	-	-	-	150,617
Restricted for										
Salaries and related benefits	-	-	-	79,078	486,643	276,342	-	-	-	842,063
Instructional costs	-	-	-	-	4,487,081	-	590,336	-	-	5,077,417
Food services	-	4,606,751	-	-	-	-	-	-	-	4,606,751
Student Activity Funds	-	-	-	-	-	-	-	-	834,098	834,098
<b>Total fund balances</b>	<b>-</b>	<b>4,757,368</b>	<b>-</b>	<b>79,078</b>	<b>4,973,724</b>	<b>276,342</b>	<b>590,336</b>	<b>-</b>	<b>834,098</b>	<b>11,510,946</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,105,851</b>	<b>\$ 5,000,444</b>	<b>\$ 525,794</b>	<b>\$ 1,150,549</b>	<b>\$ 6,200,778</b>	<b>\$ 939,003</b>	<b>\$ 691,274</b>	<b>\$ -</b>	<b>\$ 1,243,391</b>	<b>\$ 16,857,084</b>

**City of Monroe School Board**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Special Revenue Funds**

Year ended June 30, 2023	Special Revenue Funds									Total Non-Major Special Revenue Funds
	Special Education	School Food Service	21st Century Community Learning Centers	1968 Sales Tax	1994 Sales Tax	Other Federal Programs	State Grants	Local Grants	Student Activity Funds	
<b>Revenues</b>										
<b>Local Sources</b>										
Sales and use taxes	\$ -	\$ -	\$ -	\$ 5,984,382	\$ 9,474,801	\$ -	\$ -	\$ -	\$ -	\$ 15,459,183
Earnings on investments	-	-	-	145	131,403	-	-	-	-	131,548
Cash payments for meals	-	38,239	-	-	-	-	-	-	-	38,239
Other local revenue	-	-	-	-	-	-	-	27,160	4,328,986	4,356,146
<b>State Sources</b>										
Restricted grants-in-aid	-	-	-	-	-	-	233,501	-	-	233,501
State - other revenues	39,376	101,086	-	-	-	-	382,431	-	-	522,893
<b>Federal Sources</b>										
Restricted grants-in-aid	2,735,738	6,431,007	1,181,307	-	-	2,439,822	-	-	-	12,787,874
<b>Total revenues</b>	<b>2,775,114</b>	<b>6,570,332</b>	<b>1,181,307</b>	<b>5,984,527</b>	<b>9,606,204</b>	<b>2,439,822</b>	<b>615,932</b>	<b>27,160</b>	<b>4,328,986</b>	<b>33,529,384</b>
<b>Expenditures</b>										
<b>Current</b>										
<b>Instructional</b>										
Regular programs	-	-	-	2,895,346	3,439,990	-	-	27,160	-	6,362,496
Special education programs	697,267	-	-	1,058,525	1,225,249	-	80,865	-	-	3,061,906
Vocational programs	-	-	-	94,330	103,613	111,405	264,119	-	-	573,467
Other instructional programs	73,923	-	706,678	428,219	758,837	47,089	-	-	4,186,639	6,201,385
Special programs	365	-	-	10,331	12,469	848,450	88,116	-	-	959,731
<b>Support Services</b>										
Pupil support services	795,018	-	505	413,793	501,509	313,502	44,695	-	-	2,069,022
Instructional staff	922,855	-	353,327	210,088	245,648	1,018,362	139,263	-	-	2,889,543
General administration	-	-	-	40,372	70,965	-	-	-	-	111,337
School administration	-	-	-	362,228	806,622	-	30,469	-	-	1,199,319
Business services	424	-	-	17,828	112,776	-	-	-	-	131,028
Plant services	-	-	-	169,056	283,613	4,650	-	-	-	457,319
Student transportation services	-	-	9,166	135,913	158,608	2,752	373	-	-	306,812
Central services	-	-	-	54,159	1,205,566	14,620	-	-	-	1,274,345
<b>Noninstructional</b>										
Food service operations	-	5,648,188	-	115,866	120,418	-	-	-	-	5,884,472
Capital outlay	-	49,994	-	-	-	-	-	-	-	49,994
<b>Total expenditures</b>	<b>2,489,852</b>	<b>5,698,182</b>	<b>1,069,676</b>	<b>6,006,054</b>	<b>9,045,883</b>	<b>2,360,830</b>	<b>647,900</b>	<b>27,160</b>	<b>4,186,639</b>	<b>31,532,176</b>
<b>Excess of Revenues Over Expenditures</b>	<b>285,262</b>	<b>872,150</b>	<b>111,631</b>	<b>(21,527)</b>	<b>560,321</b>	<b>78,992</b>	<b>(31,968)</b>	<b>-</b>	<b>142,347</b>	<b>1,997,208</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	-	-	-	52,398	3,077	-	-	55,475
Transfers out	(285,262)	-	(111,631)	-	-	(173,978)	(14)	-	-	(570,885)
<b>Total other financing sources (Uses)</b>	<b>(285,262)</b>	<b>-</b>	<b>(111,631)</b>	<b>-</b>	<b>-</b>	<b>(121,580)</b>	<b>3,063</b>	<b>-</b>	<b>-</b>	<b>(515,410)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>872,150</b>	<b>-</b>	<b>(21,527)</b>	<b>560,321</b>	<b>(42,588)</b>	<b>(28,905)</b>	<b>-</b>	<b>142,347</b>	<b>1,481,798</b>
<b>Fund Balances at Beginning of Year</b>	<b>-</b>	<b>3,885,218</b>	<b>-</b>	<b>100,605</b>	<b>4,413,403</b>	<b>318,930</b>	<b>619,241</b>	<b>-</b>	<b>691,751</b>	<b>10,029,148</b>
<b>Fund Balances at End of Year</b>	<b>\$ -</b>	<b>\$ 4,757,368</b>	<b>\$ -</b>	<b>\$ 79,078</b>	<b>\$ 4,973,724</b>	<b>\$ 276,342</b>	<b>\$ 590,336</b>	<b>\$ -</b>	<b>\$ 834,098</b>	<b>\$ 11,510,946</b>

**City of Monroe School Board**  
**Combining Balance Sheet – Non-Major Debt Service Funds**

<i>June 30, 2023</i>	Bond Redemption	2001-2002 Sales Tax Bond Sinking	Total Non-Major Debt Service Fund
<b>Assets</b>			
Cash and cash equivalents	\$ 307,710	\$ -	\$ 307,710
Due from other governments	1,806	-	1,806
Other assets	1,613	-	1,613
<b>Total assets</b>	<b>\$ 311,129</b>	<b>\$ -</b>	<b>\$ 311,129</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Other Payables	\$ -	\$ -	\$ -
<b>Fund Balances</b>			
Nonspendable	1,613	-	1,613
Restricted for debt service	309,516	-	309,516
<b>Total fund balance</b>	<b>311,129</b>	<b>-</b>	<b>311,129</b>
<b>Total liabilities and fund balances</b>	<b>\$ 311,129</b>	<b>\$ -</b>	<b>\$ 311,129</b>

**City of Monroe School Board**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances – Non-Major Debt Service Funds**

<i>Year ended June 30, 2023</i>	Bond Redemption Debt Service	2001-2002 Sales Tax Bond Sinking	Total Non-major Debt Service Fund
<b>Revenues</b>			
<b>Local Sources</b>			
Ad valorem tax	\$ 2,958,708	\$ -	\$ 2,958,708
Earnings on investments	14,915	-	14,915
<b>Total revenues</b>	<b>2,973,623</b>	<b>-</b>	<b>2,973,623</b>
<b>Expenditures</b>			
General administration	86,704	-	86,704
Debt service			
Principal	2,830,000	-	2,830,000
Interest	1,274,854	-	1,274,854
<b>Total expenditures</b>	<b>4,191,558</b>	<b>-</b>	<b>4,191,558</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(1,217,935)</b>	<b>-</b>	<b>(1,217,935)</b>
<b>Other financing sources / uses</b>			
Transfers in	-	-	-
Transfers out	-	(2,238,200)	(2,238,200)
<b>Total other financing sources</b>	<b>-</b>	<b>(2,238,200)</b>	<b>(2,238,200)</b>
Net change in fund balances	(1,217,935)	(2,238,200)	(3,456,135)
Fund balances at beginning of year	1,529,064	2,238,200	3,767,264
<b>Fund balances at end of year</b>	<b>\$ 311,129</b>	<b>\$ -</b>	<b>\$ 311,129</b>

**City of Monroe School Board**  
**Combining Balance Sheet – Non-Major Capital Project Funds**

<i>June 30, 2023</i>	Capital Projects	GO BONDS 2016 CAPITAL PROJECTS	Total Non-major Capital Projects Fund
<b>Assets</b>			
Cash and cash equivalents	\$ 45,150	\$ 2,436	\$ 47,586
<b>Total assets</b>	<b>\$ 45,150</b>	<b>\$ 2,436</b>	<b>\$ 47,586</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ -	\$ -	\$ -
<b>Fund Balances</b>			
Restricted for capital projects	45,150	2,436	47,586
<b>Total liabilities and fund balances</b>	<b>\$ 45,150</b>	<b>\$ 2,436</b>	<b>\$ 47,586</b>

**City of Monroe School Board**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance – Non-Major Capital Project Funds**

<i>Year ended June 30, 2023</i>	Capital Projects	GO BONDS 2016 Capital Projects	Total Non-major Capital Projects Fund
<b>Revenues</b>			
<b>Local sources</b>			
Earnings on investments	\$ 1,691	\$ 602	\$ 2,293
Total revenues	1,691	602	2,293
<b>Expenditures</b>			
Current			
Business services	-	-	-
Plant services	-	-	-
Student transportation services	-	-	-
Central services	-	-	-
Noninstructional			
Food service operations	-	-	-
Facility acquisition & construction	-	-	-
Total expenditures	-	-	-
<b>Excess (deficiency) of revenues over expenditures</b>	1,691	602	2,293
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (Uses)	-	-	-
Net change in fund balances	1,691	602	2,293
Fund balances at beginning of year	43,459	1,834	45,293
Fund balances at end of year	\$ 45,150	\$ 2,436	\$ 47,586

**City of Monroe School Board  
 Schedule of Compensation Paid to Board Members  
 For the Year Ended June 30, 2023**

	<u>District</u>	<u>Compensation</u>
Dyrick Saulsberry	1	\$ 5,600
Michael Sampognaro	1	4,800
Jennifer Haneline	2	10,400
William Willison	3	11,000
Daryll Berry	4	10,400
Betty Cooper	5	10,400
Brandon Johnson	6	11,100
Sharon Neal	7	5,600
Brenda Shelling	7	4,800
<hr/>		
Total board member compensation		<u>\$ 74,100</u>

**City of Monroe School Board**  
**Schedule of Compensation, Benefits and Other Payments to Agency Head**  
**For the Year Ended June 30, 2023**

Agency Head Name: Dr. Brent Anthony Vidrine, Superintendent

Purpose	Amount
Salary	\$ 216,698
Benefits-insurance (health & life)	\$ 7,614
Benefits (retirement)	\$ 75,431
Car allowance	\$ 8,400
Travel and Conferences	\$ 4,219

**City of Monroe School Board**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget**  
**(GAAP Basis) and Actual**  
**For the year ended June 30, 2023**

**1968 Sales Tax**  
**Budgetary Comparison Schedule**  
**(Unaudited)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<i>For the year ended June 30, 2023</i>				
<b>Budgetary Fund Balance, Beginning</b>	\$ 52,454	\$ 52,454	\$ 52,454	\$ -
<b>Resources (inflows)</b>				
Local sources				
Sales and use taxes	5,675,008	5,984,382	5,984,382	-
Earnings (loss) on investments	-	145	145	-
<b>Total resources</b>	<b>5,675,008</b>	<b>5,984,527</b>	<b>5,984,527</b>	<b>-</b>
Amounts available for appropriations	5,727,462	6,036,981	6,036,981	-
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	2,734,541	2,895,346	2,895,346	-
Special education programs	1,020,199	1,058,525	1,058,525	-
Vocational programs	96,900	94,330	94,330	-
Other instructional programs	406,798	428,219	428,219	-
Special programs	10,220	10,331	10,331	-
Support services				
Pupil support services	376,031	405,998	413,793	7,795
Instructional staff support	256,777	217,883	210,088	(7,795)
General administration	40,096	40,372	40,372	-
School administration	321,365	362,228	362,228	-
Business services	16,488	17,828	17,828	-
Plant services	153,057	169,056	169,056	-
Student transportation services	121,805	135,913	135,913	-
Central services	50,314	54,159	54,159	-
Non-Instructional services				
Food service operations	119,335	115,866	115,866	-
<b>Total charges to appropriations</b>	<b>5,723,926</b>	<b>6,006,054</b>	<b>6,006,054</b>	<b>-</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ 3,536</b>	<b>\$ 30,927</b>	<b>\$ 30,927</b>	<b>\$ -</b>

**City of Monroe School Board**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget**  
**(GAAP Basis) and Actual**  
**For the year ended June 30, 2023**

**1994 Sales Tax**  
**Budgetary Comparison Schedule**  
**(Unaudited)**

<i>For the year ended June 30, 2023</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<b>Budgetary Fund Balance, Beginning</b>	\$ 3,430,644	\$ 3,430,644	\$ 3,430,644	\$ -
<b>Resources (inflows)</b>				
Local sources				
Sales and use taxes	8,834,000	9,475,131	9,474,801	(330)
Interest on investments	4,250	131,403	131,403	-
Other sources				
Transfers in	48,000	48,000	-	(48,000)
<b>Total resources</b>	<b>8,886,250</b>	<b>9,654,534</b>	<b>9,606,204</b>	<b>(48,330)</b>
<b>Amounts available for appropriations</b>	<b>12,316,894</b>	<b>13,085,178</b>	<b>13,036,848</b>	<b>(48,330)</b>
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	3,383,264	3,425,468	3,439,990	14,522
Special education programs	1,146,390	1,225,249	1,225,249	-
Vocational programs	105,571	103,613	103,613	-
Other instructional programs	714,253	758,837	758,837	-
Special programs	11,753	12,469	12,469	-
Support services				
Pupil support services	491,840	501,154	501,509	355
Instructional staff support	282,823	245,648	245,648	-
General administration	74,649	71,295	70,965	(330)
School administration	780,373	806,622	806,622	-
Business services	142,017	112,688	112,776	88
Plant services	272,424	283,969	283,613	(356)
Student transportation services	146,631	158,608	158,608	-
Central services	1,949,638	1,295,063	1,205,566	(89,497)
Non-Instructional services				
Food service operations	126,458	120,418	120,418	-
Other uses				
Transfers out	48,000	48,000	-	(48,000)
<b>Total charges to appropriations</b>	<b>9,676,084</b>	<b>9,169,101</b>	<b>9,045,883</b>	<b>(123,218)</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ 2,640,810</b>	<b>\$ 3,916,077</b>	<b>\$ 3,990,965</b>	<b>\$ 74,888</b>

**City of Monroe School Board**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget**  
**(GAAP Basis) and Actual**  
**For the year ended June 30, 2023**

<b>School Food Service</b>				
<b>Budgetary Comparison Schedule</b>				
<b>(Unaudited)</b>				
<i>For the year ended June 30, 2023</i>	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Budgetary Fund Balance, Beginning</b>	\$ 3,885,218	\$ 3,885,218	\$ 3,885,218	\$ -
<b>Resources (inflows)</b>				
Local sources				
Income from meals	37,500	29,068	38,239	9,171
Other miscellaneous revenues	1,500	1,086	-	(1,086)
State sources				
Other restricted revenues	100,500	100,000	101,086	1,086
Federal sources				
Federal restricted grants-in-aid	5,656,000	6,062,685	6,431,007	368,322
Other sources				
Transfers in	-	-	-	-
<b>Total resources</b>	<b>5,795,500</b>	<b>6,192,839</b>	<b>6,570,332</b>	<b>377,493</b>
Amounts available for appropriations	9,680,718	10,078,057	10,455,550	377,493
<b>Charges to appropriations (outflows)</b>				
Current				
Non-Instructional services				
Food service operations	5,043,431	5,202,909	5,648,188	445,279
Capital outlay	-	-	49,994	49,994
Other uses				
Transfers out	-	-	-	-
<b>Total charges to appropriations</b>	<b>5,043,431</b>	<b>5,202,909</b>	<b>5,698,182</b>	<b>495,273</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ 4,637,287</b>	<b>\$ 4,875,148</b>	<b>\$ 4,757,368</b>	<b>\$ (117,780)</b>

**City of Monroe School Board**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget**  
**(GAAP Basis) and Actual**  
**For the year ended June 30, 2023**

**Special Education**  
**Budgetary Comparison Schedule**  
**(Unaudited)**

<i>For the year ended June 30, 2023</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<b>Budgetary Fund Balance, Beginning</b>	\$ -	\$ -	\$ -	\$ -
<b>Resources (inflows)</b>				
State sources				
Other restricted revenues	-	-	39,376	39,376
Federal sources				
Federal restricted grants-in-aid	1,187,315	2,465,314	2,735,738	270,424
<b>Total resources</b>	<b>1,187,315</b>	<b>2,465,314</b>	<b>2,775,114</b>	<b>309,800</b>
Amounts available for appropriations	1,187,315	2,465,314	2,775,114	309,800
<b>Charges to appropriations (outflows)</b>				
Current				
Instructional services				
Regular programs	-	-	-	-
Special education programs	778,263	335,347	697,267	361,920
Other instructional programs	-	26,372	73,923	47,551
Special programs	-	365	365	-
Support services				
Pupil support services	316,815	713,021	795,018	81,997
Instructional staff support	-	844,292	922,855	78,563
General administration	1,000	-	-	-
Business services	19,000	425	424	(1)
Student transportation services	10,000	-	-	-
Other uses				
Transfers out	62,237	545,492	285,262	(260,230)
<b>Total charges to appropriations</b>	<b>1,187,315</b>	<b>2,465,314</b>	<b>2,775,114</b>	<b>309,800</b>
<b>Budgetary Fund Balances, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS**



**Carr, Riggs & Ingram, LLC**  
1000 East Preston Avenue  
Suite 200  
Shreveport, LA 71105

Mailing Address:  
P.O. Box 4278  
Shreveport, LA 71134-0278

(318) 222-2222  
(318) 226-7150 (fax)  
CRIcpa.com

**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
In Accordance With *Government Auditing Standards***

Board Members  
City of Monroe School Board  
Monroe, 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 City of Monroe School Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City of Monroe School Board's basic financial statements and have issued our report thereon dated June 24, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered City of Monroe School Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Monroe School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Monroe 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-003 that we consider to be a material weakness.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City of Monroe School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 2023-001, 2023-002 and 2023-004.

## **City of Monroe School Board's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Monroe School Board's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. City of Monroe School Board's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of This Report**

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



**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana  
June 24, 2024



**Carr, Riggs & Ingram, LLC**  
1000 East Preston Avenue  
Suite 200  
Shreveport, LA 71105

Mailing Address:  
P.O. Box 4278  
Shreveport, LA 71134-0278

(318) 222-2222  
(318) 226-7150 (fax)  
CRLcpa.com

**Independent Auditor’s Report on Compliance for  
Each Major Program and on Internal  
Control over Compliance Required by the *Uniform Guidance***

Board Members  
City of Monroe School Board  
Monroe, Louisiana

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

***Opinion on Each Major Federal Program***

We have audited City of Monroe School Board’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Monroe School Board’s major federal programs for the year ended June 30, 2023. City of Monroe 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.

In our opinion, City of Monroe School Board complied, in all material respects, with the 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, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Monroe School Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Monroe School Board’s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Monroe School Board's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Monroe School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Monroe School Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Monroe School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Monroe School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Monroe School Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-004. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on City of Monroe School Board’s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. City of Monroe School Board’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on City of Monroe School Board’s response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. City of Monroe School Board’s response was not subjected to the other 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana  
June 24, 2024

**City of Monroe School Board**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2023**

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grant Number	Expenditures / Issues	Expenditures to Subrecipients
<b>DIRECT PROGRAMS:</b>				
<b>U. S. DEPARTMENT OF DEFENSE</b>				
ROTC Language and Culture Training Grants	12.357	N/A	\$ 92,563	\$ -
Total U.S. Department of Defense			<u>92,563</u>	-
<b>U. S. DEPARTMENT OF EDUCATION</b>				
Impact Aid	84.041	N/A	142,518	-
Total U.S. Department of Education			<u>142,518</u>	-
<b>Total Direct Programs</b>			<u>235,081</u>	-
<b>PASS THROUGH PROGRAMS:</b>				
<b>U. S. DEPARTMENT OF EDUCATION</b>				
Passed through Louisiana Department of Education				
Comprehensive Literacy Development	84.371	28-20-CCUK-65	152,549	-
Comprehensive Literacy Development	84.371	28-20-CCUB-65	18,000	-
Comprehensive Literacy Development	84.371	28-20-CCU6-65	27,750	-
Comprehensive Literacy Development	84.371	28-20-CCU9-65	387,968	-
Total Comprehensive Literacy Development			<u>586,267</u>	-
Title I Grants to Local Educational Agencies				
Title I Grants to Local Educational Agencies	84.010	28-23-T1-65	7,833,895	-
Title I Grants to Local Educational Agencies	84.010	28-22-RD19-65	285,660	-
Title I Grants to Local Educational Agencies	84.010	28-22-DSS-65	322,413	-
Total Title I Grants to Local Educational Agencies			<u>8,441,968</u>	-
SPECIAL EDUCATION CLUSTER:				
Special Education-Individuals With Disabilities Education Act IDEA B				
Grants to States (IDEA Part B)	84.027	28-23-B1-65	2,628,166	-
Preschool Grants	84.173	28-23-P1-65	98,515	-
Grants to States (High Cost Services)	84.027	28-23-RK-65	9,057	-
Total Special Education Cluster			<u>2,735,738</u>	-
Supporting Effective Instruction State Grants	84.367	28-23-50-65	584,228	-
Title IV - Foster Care	98.658	28-23-71-65	407,933	-
21st Century Community Learning Centers Cohort	84.287	28-22-2C-65	79,988	-
21st Century Community Learning Centers Cohort	84.287	28-18-2C-65	1,101,319	-
Total 21st Century Community Learning Centers Cohort			<u>1,181,307</u>	-
Career and Technical Education - Basic Grants to States	84.048	28-23-02-65	111,405	-
Education Stabilization Fund				
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	28-20-ESRF-65	987,206	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	28-20-ERSI-65	151,864	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	28-21-ES2F-65	9,733,693	-
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	28-21-ESEB-65	3,146,355	-
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	28-21-ES3F-65	7,882,208	-
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	28-21-ES1F-65	999,518	-
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	28-21-ES2I-65	176,419	-
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425W	28-22-HARP-65	18,555	-
Total Education Stabilization Funds			<u>23,095,818</u>	-
<b>Total U.S. Dept. of Education Passed Through LA DOE</b>			<u>37,144,664</u>	-
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed through Louisiana Department of Education				
Substance Abuse and Mental Health Services	93.243	28-19-LSMH-65	313,893	-
<b>Total U. S. Department of Health and Human Services Passed Through LA DOE</b>			<u>313,893</u>	-

(continued)

**City of Monroe School Board**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2023**

Pass-Through Grantor/ Program Title	Listing Number	Pass Through Grant Number	Expenditures / Issues	Expenditures to Subrecipients
<b>U.S. DEPARTMENT OF AGRICULTURE (USDA)</b>				
Passed through Louisiana Department of Education				
CHILD NUTRITION CLUSTER:				
School Breakfast Program	10.553	N/A	1,394,917	-
National School Lunch Program	10.555	N/A	3,749,908	-
National School Lunch Program	10.555	N/A	237,038	-
National School Lunch Program (Commodities)	10.555	N/A	496,244	-
Summer Food Service Program for Children	10.559	N/A	188,950	-
Fresh Fruit and Vegetable Program	10.582	N/A	363,950	-
Total Child Nutrition Cluster			6,431,007	-
<b>Total U.S. Dept. of Agriculture Passed Through LA DOE</b>			6,431,007	-
<b>TOTAL PASS THROUGH PROGRAMS</b>			43,889,564	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 44,124,645	\$ -
				(concluded)

See Notes to Schedule of Expenditures of Federal Awards

**City of Monroe School Board**  
**Notes to Schedule of Expenditures of Federal Awards (Unaudited)**

**A. General**

The preceding Schedule of Expenditures of Federal Awards presents the activity of all Federal financial assistance programs of the City of Monroe School Board (the School Board). The School Board reporting entity is defined in Note 1 to the School Board's general purpose financial statements. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included on the schedule.

**B. Basis of Accounting**

The 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 financial statements.

**C. Relationship to Financial Statements**

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2023:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 44,124,645
Total expenditures funded by other sources	103,336,267
<hr/>	
Total expenditures	\$ 147,460,912

Included in the Child Nutrition Cluster is \$496,244 of non-cash awards in the form of commodities provided by the United States Department of Agriculture.

**D. Relationship to Federal Financial Reports**

Amounts reported in the accompanying schedule agree with the amounts reported in the federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**E. Federal Indirect Cost Rate**

City of Monroe School Board did not elect to use the 10% de minimis federal indirect cost rate for the year ended June 30, 2023.

**F. Subrecipients**

City of Monroe School Board did not provide federal funds to any subrecipients during the year ended June 30, 2023.

**City of Monroe School Board**  
**Notes to Schedule of Expenditures of Federal Awards (Unaudited)**

**G. Loans**

City of Monroe School Board did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2023.

**H. Federally Funded Insurance**

The City of Monroe School Board has no federally funded insurance.

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

**Section I - Summary of Auditor's Results**

**Financial Statements**

The auditor's report expresses an unmodified opinion on the financial statements in accordance with GAAP.

**Internal control over financial reporting:**

- Material weaknesses identified?   X   yes        no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        yes   X   none reported
- Noncompliance material to the financial statements noted?        yes   X   no

**Federal Awards**

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

Unmodified

**Internal control of major programs:**

- Material weaknesses identified?        yes   X   no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   X   yes        none reported

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200.516(a))?   X   yes        none reported

The programs tested as major programs included:

<b>Assistance Listing Number</b>	<b>Program Name</b>
84.425D	COVID-19 Education Stabilization Fund
84.425U	COVID-19 Education Stabilization Fund
84.425W	COVID-19 Education Stabilization Fund
84.010	Title I Grants to Local Educational Agencies
84.287	21 <sup>st</sup> Century Community Learning Centers Cohort

Dollar threshold used to distinguish between Type A and B programs: \$1,323,739

- Auditee qualified as a low-risk auditee?        yes   X   no

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

**Section II – Financial Statement Findings Reported in Accordance with *Government Auditing Standards***

**2023-001      Timely Filing of Audit Report**

**Entity-Wide or Program/Department Specific:** This finding is entity-wide.

**Criteria or Specific Requirement:** Louisiana R.S. 24:513 requires that the City of Monroe School Board prepare and submit its annual audited financial statements to the Louisiana Legislative Auditor within six months of the City of Monroe School Board’s fiscal year end.

**Condition:** The School Board was not able to submit its audited financial statements to the Louisiana Legislative Auditor by the required deadline.

**Effect:** Noncompliance with Louisiana R.S. 24:513.

**Cause:** The School Board was not able to complete their year-end procedures in a timely manner due to internal matters.

**Recommendation:** We recommend the School Board take necessary steps to ensure that future audits will be completed and submitted to the Louisiana Legislative Auditor within the prescribed time period.

**Views of responsible officials and corrective action plan:** The School District concurs with the guidance provided in the recommendation section of the report. The School District will develop the appropriate policies and procedures needed to meet the Criteria and accomplish the Specific Requirement obligations described in the findings. Corrective action will include timely annual approval of the audit engagement letters, approval of audit procedures required by the Legislative Auditor, timely completion and approval of the Louisiana Compliance Questionnaire and direct involvement by the governing board in these processes.

**2023-002      Misappropriation of Assets**

**Entity-Wide or Program/Department Specific:** This finding is entity-wide.

**Criteria or Specific Requirement:** Louisiana R.S. 24:523 (A) states “An agency head of an auditee who has actual knowledge of or reasonable cause to believe that there has been a misappropriation of the public funds or assets of the agency shall immediately notify, in writing, the legislative auditor and the district attorney of the parish in which the agency is domiciled of such misappropriation. “Reasonable cause” shall include information obtained as a result of the filing of a police report, an internal audit funding, or other source indicating such a misappropriation of agency funds or assets has occurred. The district attorney, or other prosecutorial agency, notified of such misappropriation may request audit assistance from the legislative auditor with respect to the misappropriation.”

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

**Condition:** Prior to the beginning of fieldwork, we were notified the former superintendent submitted altered and falsified documentation related to the purchase of retirement service credits. It was also determined the former superintendent received retirement allowances from June 2014 to October 2023, totaling \$141,717.66, that were not included or approved in any of the former superintendent's employment contracts.

**Effect:** Potential noncompliance with Louisiana Revised Statutes regarding fraud.

**Cause:** The former superintendent submitted altered documentation to receive an extra \$20,000 for payment in accordance with his employment contract and submitted falsified documentation to show payment of monies to the state retirement system in the amount of \$48,184.92.

**Recommendation:** We recommend the school board implement policies and procedures regarding such requests in the future for unique situations. The former superintendent entered into a settlement agreement subsequent to year-end and was allowed to retire effective February 8, 2024. Repayment of the \$20,000 in misappropriated assets were recovered by the School Board.

**Views of responsible officials and corrective action plan:** The School District concurs with your findings reported in Section 2023-002 and does not dispute the details reported. The School District also concurs with the guidance provided. We agree that this finding involved a unique situation. Because there is a risk that future acts of noncompliance with Louisiana Revised Statutes of the same time might recur, the School Board has begun taking corrective actions that are consistent with guidance provided. The superintendent of schools subject of this finding is no longer employed in the Monroe City School District. As you noted, an unauthorized \$20,000.00 payment received as the result of the use of altered documents has been recovered. Furthermore, the School Board is following the guidance of the Louisiana Legislative Auditor, who published a written report on this subject matter in March 2024 following a formal agency investigation. Future policies and practices will include a requirement for officers of the Board to review and verify the compensation paid to the Superintendent on a periodic basis.

**2023-003      Student Activity Funds**

**Entity-Wide or Program/Department Specific:** This finding is at the school level.

**Criteria or Specific Requirement:** In accordance with Louisiana Revised Statute 17:414.3(B)(2)(a), (b), (d), and (e), monies deposited in the school fund shall be used according to the purpose for which it was generated or for the purposes selected by the depositing entities, provided such expenditures are approved by the principal as indicated by his signature on checks for withdrawals. Also, money deposited in the school fund pursuant to R.S. 17:414.3(B)(2)(c) may be expended at the discretion of the principal provided such expenditures are for the benefit of all or any of the school's students, faculty, staff, facility, or program and provided the ledger reflects the expenditure.

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

**Condition:** During audit procedures of student activity funds, instances of noncompliance and internal control weaknesses were identified at different schools.

*Neville High School*

- A total of 12 items totaling \$10,014 that were purchased for silent auction fundraiser, and subsequently donated to a related outside non-profit organization. One check was voided and cancelled as it was related to the purchase of alcohol for the fundraiser. These purchases should have been the responsibility and cost to the outside organization.
- One of the payments above was for a band rental that is organized by the spouse of an employee of the School and another employee of the School.
- A total of 34 transactions were found to be missing signatures or supporting documentation for various athletic funds.
- A total of 2 transactions were identified to have late fees assessed and a finance charge for exceeding the school's credit card limit.
- A total of 42 transactions were reimbursements to employees for actual gas purchases instead of employees submitting vehicle mileage forms.
- One transaction was written for a wrong amount as the proceeds were to be split 50/50 between the schools and the split check was written for \$240 more than the proper amount.
- In the transaction above, the amount to be paid was a reduction of \$1,080 for cash payments to workers. No listing of workers or the amounts paid to each worker was provided.
- Workers for the football games were paid \$50-\$70 per game in cash. However, no documentation was maintained to document the total amounts paid.
- A total of 31 credit card transactions were originally charged to the improper athletic fund and corrected months later to the proper athletic fund(s).
- A total of 6 transactions were identified where sales tax was charged.
- For cash deposits recorded, there was a lack of supporting documentation as it relates to the source and purpose of the funds.
- One athletic fund paid for expenses of the school's general fund during the year, and was reimbursed by the general fund; however, the reimbursement was coded to the wrong athletic fund.
- One payment was made to an employee for extra-pay in the amount of \$2,000 that was processed through the student activity funds. Only the school board has the authority to approve and process payroll-related matters.

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

- Deposits from all sources should be collected and deposited timely in accordance with state requirements.
  - For the baseball program, there were only two deposits recorded in the student activity funds for FY23. Both deposits were related to playoff games. For the 28 home games played during the year, no deposits were recorded in the student activity funds.
  - For the softball program, there was only one deposit recorded in the student activity funds for FY23 for the playoff game. For the 8 home games played during the year, no deposits were recorded in the student activity fund.
  - For the football program, cash collections for ticket sales were used to pay workers of the game instead of being deposited in student activity funds. Payments to workers for extra duties or extra pay is required to be processed through the School Board.

*Carroll High School*

- A total of 46 employees of the High School and School Board received extra pay that was processed through student activity funds in the amount of \$33,789. 15 of these employees already received \$57,580 in extra-curricular stipends through payroll processing at the School Board for the same work to be performed.
- A total of 8 payments totaling \$5,008.50 were made to a business that is owned by the spouse of a Carroll High School employee.
- One payment totaling \$500 was made to a business that is owned by a spouse of a Carroll High School employee.

*Barkdull Faulk Elementary School*

- Expenses incurred during the year from the elementary school exceeded the amount of funds that were available to be spent at the school resulting in the credit card/purchase card of the school to be suspended.

*J.S. Clark Elementary* - During the planning of the audit, the following information was made aware to us:

- Two deposits of \$347 and \$246, totaling \$593 were still outstanding from the June 30, 2022 audit. The deposits were made and recorded; however, the principal failed to make the deposit and used the cash to pay for school expenses. No support was provided as to how the funds were to be spent.
- A total of \$5,858.51 was retrieved from the school and deposited into their account by School Board personnel during a review of the school's processes by School Board personnel.
- Money received were being held in classrooms by the teachers.
- Money was not kept in a secure area in the office with multiple people having access.
- Cash payments to a landscaper between \$150-\$200 were made each month.

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

*Negative fund balances at schools as of June 30, 2023:*

- Carroll High School – 6 sub-funds are negative.
- Clara Hall Elementary – 1 sub-fund is negative.
- J.S. Clark Elementary – 1 sub-fund is negative.
- M.L. King Middle School – 1 sub-fund is negative.
- Madison James Foster Elementary School – 7 sub-funds are negative.
- Minnie Ruffin Elementary – 4 sub-funds are negative.
- Neville High School General Fund – 3 sub-funds are negative.
- Neville High School Athletic Fund – 5 sub-funds are negative.
- Roy N. Shelling Elementary – 2 sub-funds are negative.
- Sallie Humble Elementary – 3 sub-funds are negative.
- Wossman High School – 12 sub-funds are negative.

**Effect:** The City of Monroe School Board had student activity funds that were maintained in accordance with School Board policy.

**Cause:** The primary government, the City of Monroe School Board, is required to have internal controls in place to detect misappropriation of assets. There were controls that were not followed and oversight at the school level was not being conducted by the appropriate individuals.

**Recommendation:** We recommend annual training be performed to educate the individuals with cash management responsibilities in accordance with Louisiana Revised Statute 17:414.3.

**Views of responsible officials and corrective action plan:** The School District concurs with the findings reported in the report. The School District concurs with the guidance provided. Corrective actions have begun. Central office staff and legal counsel will conduct recurring training on the legal requirements governing student activity funds, authorized uses of such funds, and prohibitions against unauthorized use and misappropriation of funds. More Central Office Staff will be involved in the school-level processes, and appropriate additional policies and procedures will be developed for use.

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

**Section III – Federal Award Findings and Responses**

**2023-004      Unallowable Costs**

**Federal Program, Assistance Listing # and Year, Federal Agency, Pass-Through Entity:**  
Title I Grants to Local Educational Agencies, Assistance Listing #84.010, 2023, U.S. Department of Education, Louisiana Department of Education.

21<sup>st</sup> Century Community Learning Center Cohort, Assistance Listing #84.287, 2023, U.S. Department of Education, Louisiana Department of Education.

Education Stabilization Fund, Assistance Listing #84.425DUW, 2021, U.S. Department of Education, Louisiana Department of Education.

**Criteria or Specific Requirement:** 2 CFR 200.303 requires the entity to establish and maintain effective internal controls over compliance with respect to federal awards and Section 1111(b)(2)(A) of the ESEA for compliance accountability. Proper internal controls require supporting documentation to be retained as evidence for effectiveness of the controls in place.

**Condition:** During our testwork, we were made aware of the following instances of internal control related matters and instances of noncompliance related to one employee:

- The employee was paid through the 21<sup>st</sup> Century Community Learning Center Cohort program for 80 hours in the month of July 2022 without authorization from the Human Resources department in order to shadow train for the program director position. Five of the hours paid for was during the 4<sup>th</sup> of July holiday.
- The employee did not become employed as the program director for the 21<sup>st</sup> Century Community Learning Center Cohort program and decided not to return to work.
- The employee was docked 14 days sick leave, which was subsequent reinstated by the former superintendent adding back to the employee's sick leave bank.
- The employee went on undocumented sick and extended sick leave where the employee's wages and benefits were coded to the Title I program. These expenses were then improperly included in the reimbursement requests for the Title I program.
- The employee received a \$1,000 COVID-19 supplement paid through the Education Stabilization Fund grants during the year.

**Effect:** The School Board charged expenditures and requested reimbursement for unallowable/unauthorized costs.

**City of Monroe School Board  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2023**

**Questioned Cost:** The total questioned cost expended by the School Board was \$88,072 broken down as follows:

- Title I - \$83,800
- 21<sup>st</sup> Century Learning Center Cohort - \$3,024
- Education Stabilization Fund - \$1,248

**Cause:** Lack of internal controls related to review of costs and management override of controls.

**Recommendation:** We recommend the School Board implement policies and procedures to ensure costs are appropriately charged to programs.

**Views of responsible officials and corrective action plan:** The School District concurs with the findings reported not dispute the details reported. The findings identify charging of unallowable costs that involved federal funds received by the School District. It was noted that the unallowable costs involved payment of employment compensation to an employee on multiple dates, during times and for reasons that were suspect and unauthorized. The School District concurs with the guidance provided. Corrective actions are already being taken, and training has already begun. The School Board will adopt appropriate policies to ensure appropriate oversight over the manner in which funding is expended for employee compensation, including situations when the sources of funding involve federal awards that obligate the School District to meet specific federal compliance control requirements.

**City of Monroe School Board**  
**Summary Schedule of Prior Year Audit Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

**Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards***

**2022-001      Student Activity Funds**

**Year of origination:** June 30, 2022

**Condition:** For student activity funds revenue testing, documentation was not maintained for thirty-three (33) deposits tested to determine if the amounts and general ledger coding were to the appropriate student activity fund. For student activity fund expense testing, support was missing for six (6) expense transactions, seven (7) transactions included sales tax that was either paid to the vendor or reimbursed to the employee and twenty-two (22) transactions did not have proper approval.

**Corrective action taken:** The School Board will conduct training sessions for School staff on the proper ways to record all monies received and disbursed at their schools according to the guidelines provided under *Government Auditing Standards* and School Board policies. The School Board will be conducting more internal audits to ensure schools maintain proper supporting documentation for all monies received or disbursed, to ensure that sales tax exempt forms are being properly used, to ensure that deposits are made timely and emphasize the importance of segregation of duties. The School Board will ensure handbooks detailing the policies and procedures are provided.

**Status:** Unresolved. Policies and procedures were not properly implemented.

**2022-002      Professional Leave**

**Year of origination:** June 30, 2022

**Condition:** During our audit procedures, we identified an instance of noncompliance with School Board policy regarding professional leave.

**Corrective action taken:** The School Board will implement procedures to ensure compliance with policies regarding professional leave for employees.

**Status:** Resolved.

**City of Monroe School Board**  
**Summary Schedule of Prior Year Audit Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

**2022-003      Ethics Training**

**Year of origination:** June 30, 2022

**Condition:** During our testwork, we identified nine (9) out of twenty-five (25) employees selected, did not obtain the one hour Louisiana ethics training.

**Corrective action taken:** The School Board will implement additional procedures to coordinate with all schools and departments to ensure that all employees meet the ethics requirements.

**Status:** Resolved.

**2022-004      Improper Teacher Certification Pay**

**Year of origination:** June 30, 2022

**Condition:** CRI identified instances where ten (10) individuals were being paid as certified teachers without the proper qualifications.

**Corrective action taken:** The School Board has reviewed current procedures and will make the appropriate changes to ensure that all documentation is complete and meet the requirements of a certified teacher prior to employment.

**Status:** Resolved.

**Section III – Federal Award Findings and Responses**

**2022-005      Timesheet Inaccuracies**

**Federal Program, Assistance Listing # and Year, Federal Agency, Pass-Through Entity:** Special Education Cluster – Grants to States, Assistance Listing #84.027, 2022, U.S. Department of Education, Louisiana Department of Education.

**Year of origination:** June 30, 2022

**Condition:** During our testwork, we identified an error in the re-calculation of hours on a timesheet for an employee selected. The original calculation prepared by the employee was correct.

**Corrective action taken:** The School Board will have payroll processing staff review approved timesheets before they are processed for payment.

**Status:** Resolved.

**City of Monroe School Board**  
**Summary Schedule of Prior Year Audit Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

**2022-006      Suspension and Debarment**

**Federal Program, Assistance Listing # and Year, Federal Agency, Pass-Through Entity:** Special Education Cluster – Grants to States, Assistance Listing #84.027, 2022, U.S. Department of Education, Louisiana Department of Education.

**Year of origination:** June 30, 2022

**Condition:** CRI identified that the School Board did not have controls in place to verify whether vendors are suspended, debarred or otherwise excluded.

**Corrective action taken:** The School Board will implement procedures to verify vendors are not suspended, debarred or otherwise excluded.

**Status:** Resolved

**City of Monroe School Board  
Corrective Action Plan  
For the Year Ended June 30, 2023**



2006 Tower Drive \* Monroe, LA 71201  
Phone: (318) 325-0601 Fax: (318) 812-3604

June 4, 2024

Josh Trahan, CPA  
Carr Riggs & Ingram, CPAs  
1000 East Preston Avenue, Suite 200  
Shreveport, LA 71105

Re: Supplemental & Restated Response to Auditor's Schedule of Findings  
& Questioned Costs for Year Ended June 30, 2023

Dear Mr. Trahan:

We acknowledge receiving from you the *Summary of Audit Results* included in your *Schedule of Findings & Questioned Costs for the Year Ended June 30, 2023*, and your recent request for additional more detailed information in our response. Please receive the following as the School District's official supplemental and restated responses and comments to Findings 2023-001 through 2023-004 identified in your report.

**Finding 2023-001 Timely Filing of Audit Report**

The School District concurs with your findings reported in Section 2023-001 and does not dispute the details reported under the Criteria or Specific Requirement section, Condition section, and Effect section of the report. We note that Finding 2023-001 relates to an unresolved finding you reported in 2022-001. The School District also concurs with the guidance you provide in the Recommendation section of the report. The Board President, Superintendent, Chief Financial Officer, and general counsel within the next 30 days will develop implementing procedures to require that:

- (a) A copy of all (i) audit engagement letter(s) and (ii) audit procedures required by the Louisiana Legislative Auditor ("LLA") to be submitted for Board approval will be sent to each School Board member by email or other suitable means within seven (7) days of receipt. The Louisiana Compliance Questionnaire shall be sent to each School Board member by email or other suitable means not less than 45 days prior to its legal submission deadline. Following a period for review and absent good cause, engagement letters, audit procedures requiring approval, and responses to Compliance Questionnaires shall be listed on the school board meeting agenda for approval by the School Board so that Board action is taken at least five (5) days before the reporting or submission deadline date. Thereafter, approved engagement letters, approved audit procedures requiring signature, and responses to Compliance Questionnaires shall be signed by the appropriate School District authorities and returned to the auditor, the Louisiana Legislative Auditor, or other required authority so that approved and signed submissions are actually received on or before the reporting or submission deadline.
- (b) Any current Board policy inconsistent with the proposed implementing procedures described above in "(a)" shall be amended, supplemented, or repealed by August 31, 2024. An assessment of current policies to identify needed amendments, supplements, and repeals, along with the proposed enactment of any required new policies, will occur within the next 45 days.
- (c) Any other elements of this audit finding requiring corrective action will be identified and corrective steps will be taken by June 30, 2024.

**City of Monroe School Board  
Corrective Action Plan  
For the Year Ended June 30, 2023**

- (d) The Board President, Board Vice President, and Superintendent will have the lead responsibility for advancing the implementing procedures and bringing necessary policy corrections and amendments before the School Board for approval.
- (e) The Board President, Board Vice President, and Superintendent will have the lead responsibility for implementing necessary corrective actions within the proposed timelines.
- (f) The Board President, Vice President, and Superintendent will collaborate with the Chief Financial Officer and the School District's general counsel to ensure the implementation of corrective action. This will include tasking general counsel with training Board members and staff on policy changes, implementing procedures, and compliance obligations on or before July 31, 2024.

**Finding 2023-002 Misappropriation of Assets**

The School District concurs with your find findings reported in Section 2023-002 and does not dispute the details reported under the Criteria or Specific Requirement section, Condition section, and Effect section of the report. The School District also concurs with the guidance you provide in the Recommendation section of the report.

We agree that this finding involved a unique situation. Because there is a risk that future acts of noncompliance with Louisiana Revised Statutes of the same time might recur, the School Board has begun taking corrective actions that are consistent with your guidance. As you may know, the superintendent of schools made the subject of Finding 2023-002 in your report is no longer employed in the Monroe City School District. As you noted, an unauthorized \$20,000.00 payment received as the result of the use of altered documents has been recovered.

Currently, the School Board is following the guidance of the Louisiana Legislative Auditor, who published a written report on this subject matter in March 2024 following a formal agency investigation. On the issue of recovering additional lost funds, the LLA's staff has recommended that the School District work with law enforcement and prosecutorial officials in the judicial process to seek financial restitution.

Following the lead of general counsel, the Board will consider for adoption of formal Board Policy amendments that require:

- (a) Formal adoption by the Board of a completed written Superintendent's Contract on or before (i) commencement of the appointee's beginning service as Superintendent of Schools, or (ii) continuing employment authorized by contract renewal.
- (b) Annual review by the Board of all compensation and other employment emoluments received by the Superintendent.
- (c) Inclusion of terms in Board Policy and the Superintendent's contract, that prohibit the Superintendent from modifying or adjusting his own compensation or other employment emoluments without Board approval.

Policy amendments will be completed and submitted to the School Board for formal approval no later than July 31, 2024. These compliance elements are already enshrined in the current Superintendent's contract approved in April 2024. It will be recommended that the Board convene, receive and approve the necessary policy amendments (to the extent that such has not already occurred) consistent with the above-described corrective steps. In addition, training on policy amendments and compliance requirements will be conducted by general counsel with the full Board and Superintendent in attendance. The Board President, Vice President, and Chair of the Finance Committee shall be tasked with conducting an annual review of compensation and employment emoluments received by the Superintendent at least two weeks prior to the Board's evaluation of the Superintendent. Additional reviews shall be conducted by the Board President and Vice President each time there is any change in the Superintendent's compensation.

**Finding 2023-003 Student Activity Funds**

The School District concurs with the findings reported in Finding 2023-003 and does not dispute the details reported under the Criteria or Specific Requirement section, Condition section, and Effect section of the report. Your findings identified four schools reporting noncompliance and internal weaknesses regarding student activity funds. You also identified 10 schools reporting a total of 11 negative fund balances (2 at Neville High School) as of June 30, 2023.

The School District also concurs with the guidance you provide in the Recommendation section of the report.

1. On April 16, 2024, the School Board approved a resolution requesting the assistance of the LLA in reviewing significant School Activity Fund issues at Neville High School ("NHS"), Carroll High

## City of Monroe School Board Corrective Action Plan For the Year Ended June 30, 2023

School (“CHS”), Barkdull-Faulk Elementary School (“BFES”) and J.S. Clark Magnet School (“JSCMS”) referenced in an audit report (“Report”) prepared by Carr Riggs and Ingram, CPAs (“CRI”). The purpose of enlisting the assistance of the LLA is to probe into transactional activities that are beyond the investigative reach of the School District and CRI.

2. Because of the scale of problems at NHS, central office administration currently manages the school fund account and retains the authority to approve the use or expenditure of NHS funds.
3. General Counsel, along with retained counsel Hammonds, Sills, Atkins and Guice, met with all School Administrators, the CFO and the Superintendent in March 2024 to provide immediate training on existing state statutes and School Board policies governing the use of school funds and school activity funds. That training highlighted the need, in some instances, to terminate or restrict relationships with boosters and other school auxiliary support groups. The objectives of such training were to prevent the co-mingling of school funds with private funds and prohibit school funds from being misappropriated, misused or improperly collected, maintained, or controlled by private parties. A transitional agreement has already been developed for school use to establish (a) ground rules for relationships between schools and external parties, (b) prohibitions against external parties and auxiliary groups handling, administering, and using school funds, and authorizing external parties and auxiliary groups to conduct activities on school premises. In addition, the authorized use of school facilities and of the names, logos, branding and trademarks belonging to schools are addressed in the transitional agreement. The transitional agreement will remain in effect until replaced or supplanted by revised Board policy.

General counsel and retained legal counsel are preparing revised policy drafts and recommending enactment of policies mandating training of schools’ staff on school funds, restricting booster club and school external auxiliary organization involvement in school fund activities, and requiring strict compliance with state laws governing administration of school funds. Such policies are currently under development. Anticipated completion is within 60 days, with training and implementation to occur by August 12, 2024 prior to the start of the 2024-2025 school term.

4. The superintendent, CFO, general counsel, retained legal counsel, and members of the School District’s business office staff will direct training and implementation.
5. If information comes to light as a result of the Louisiana Legislative Auditor’s review conducted as a result of the Board’s April 16, 2024 request, additional corrective steps will be taken as may be required.
6. School-level staff members who fail to adhere to statutory and policy requirements governing school funds and school asset usage will be removed and replaced.

Because the CRI Report identifies 10 schools reporting negative fund balances as of June 30, 2023, steps are currently underway, by records reviews, to determine if:

- (a) Negative fund balance issues remain unresolved at the 10 schools identified;
- (b) New negative fund balance issues have evolved since the period covered in CRI’s Report.
- (c) Corrective action is needed. If so, such will include (i) the administrative office assuming decision-making responsibilities regarding school use of funds, (ii) removal or reassignment of staff, when such issues are caused by misconduct, gross mismanagement, or incompetence and (iii) taking of additional or alternate steps as may be required for correction, including the elimination of programs and practices.

The Superintendent will have lead responsibility for addressing fund balance issues and will be responsible for tasking school principals and central office administrative staff, in concert with the CFO, for taking the corrective steps needed for compliance. The timeline is immediate. Additional training on school fund responsibilities, as noted above, shall occur no later than August 12, 2024, prior to the start of the 2024-2025 school term. All school officials involved in the handling of school funds shall attend. Training targeting negative fund balances shall be conducted at least once annually. Training and implementation will be directed by the Superintendent CFO, general counsel, retained outside legal counsel and members of the School District’s business office staff.

**City of Monroe School Board  
Corrective Action Plan  
For the Year Ended June 30, 2023**

**Finding 2023-004 Unallowable Costs**

The School District concurs with the findings reported in Finding 2023-004 and does not dispute the details reported under the Criteria or Specific Requirement section, Condition section, and Effect section of the report. Your findings identify charging of unallowable costs that involved federal funds received by the School District. You noted that the unallowable costs involved payment of employment compensation to an employee on multiple dates, during times and for reasons that were suspect and unauthorized.

The School District also concurs with the guidance you provide in the Recommendation section of the report. Corrective actions are already being taken, and training has already begun. The School Board will adopt appropriate policies to ensure appropriate oversight over the manner in which funding is expended for employee compensation, including situations involving federal fund awards that obligate the School District to meet specific federal compliance control requirements.

Currently, the School District is reviewing all uses of federal funds, starting with Title I, the 21st Century Center Learning Center Cohort, and the Educational Stabilization Fund. The following additional corrective steps will be taken by the Superintendent:

1. All change of job assignments, program assignments and/or employee compensation must be approved by the Superintendent and memorialized in writing as evidence of approval. The Human Resources Department shall cause the necessary documentation containing the Superintendent's approval to be prepared, signed, and maintained in employee payroll and personnel records, and ensure that employee compensation is paid when owed for the appropriate amount(s).
2. The Superintendent will require the employees, supervisors, and management operating or overseeing individual programs and operations to become and remain familiar with their respective program and/or operation requirements, including those that govern which costs are allowable/authorized and steps required to demonstrate compliance.
3. In light of the Findings, the Superintendent will also identify one or more key administrative staff members who will be tasked with overseeing the use of federal funds for Title I, the 21st Century Center Learning Center Cohort, and the Educational Stabilization Fund.
4. The Superintendent will direct staff to immediately confer with general counsel and with the appropriate federal or state agency points of contact when compliance steps or obligations are unknown or require clarification.
5. Individuals compensated through federal funds shall be obligated to comply with applicable rules as a condition of employment. No staff member will have lone or sole responsibility for administering or overseeing administration and/or payment of their own compensation from federal funding sources.
6. At least twice annually, the Superintendent shall direct a review of whether funds have been appropriately used for costs that are authorized and allowable. Title I, the 21st Century Center Learning Center Cohort, the Educational Stabilization Fund, and other programs/operations where noncompliance is known or suspected will be reviewed at least four times during the following school year, or more frequently when deemed necessary by the Superintendent. Additional program or operation areas may be identified for review through random sampling.

Training on the rules governing authorized and allowable costs and expenditure of federal funds shall occur by August 12, 2024, prior to the start of the 2024-2025 school term. Thereafter, training shall be conducted at least annually, prior to the start of each new school term. All school officials responsible for compliance with regulations on the use of federal funds awards shall attend. Training will be conducted by the Superintendent, CFO, general counsel, members of the School District's business office staff and others designated by the Superintendent.

\*\*\*\*\*

Please receive this as the School District's official supplemental and restated response. We trust that it provides the additional information that you need to satisfy our response requirements. We look forward to working with you to resolve each issue reported in your findings.



Hon. Jennifer Haneline, President



Hon. Sam Moore III, Superintendent

## **OTHER INFORMATION**

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

Board Members  
City of Monroe School Board  
Monroe, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of City of Monroe School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. Management of the School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings 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 were identified as a result of applying the agreed-upon procedure.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1, 2022 roll books for those classes and observed that the class was properly classified on the schedule.

**Comment:** No exceptions were identified as a result of applying the agreed-upon procedure.

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

3. We obtained October 1, 2022 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

**Comment:** No exceptions were identified as a result of applying agreed-upon procedures.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2023 PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management)

**Comment:** No exceptions were identified as a result of applying agreed-upon procedures.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to perform, and did not perform, an audit, 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.

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

*Carr, Riggs & Ingram, L.L.C.*

**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana

June 24, 2024

**CITY OF MONROE SCHOOL BOARD**  
Monroe, Louisiana

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2023**

**General Fund Instructional and Equipment Expenditures****General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$	21,084,357	
Other Instructional Staff Activities		3,610,293	
Instructional Staff Employee Benefits		14,828,890	
Purchased Professional and Technical Services		44,655	
Instructional Materials and Supplies		473,243	
Instructional Equipment		-	
Total Teacher and Student Interaction Activities		-	\$ 40,041,438
<b>Other Instructional Activities</b>			308,137
<b>Pupil Support Activities</b>		4,505,836	
Less: Equipment for Pupil Support Activities		-	
Net Pupil Support Activities		-	4,505,836
<b>Instructional Staff Services</b>		2,489,506	
Less: Equipment for Instructional Staff Services		-	
Net Instructional Staff Services		-	2,489,506
<b>School Administration</b>		4,668,721	
Less: Equipment for School Administration		-	
Net School Administration		-	4,668,721

Total General Fund Instructional Expenditures \$ 52,013,638

**Total General Fund Equipment Expenditures**

\$ -

**Certain Local Revenue Sources****Local Taxation Revenue:**

Ad Valorem Taxes			
Constitutional Ad Valorem Taxes	\$		2,870,424
Renewable Ad Valorem Tax			8,342,209
Debt Service Ad Valorem Tax			2,958,708
Up to 1% of Collections by the Sheriff on taxes other than School Taxes			430,904
Sales Taxes			
Sales and Use Taxes - Gross			34,408,787
Total Local Taxation Revenue			\$ 49,011,032

**Local Earnings on Investment in Real Property:**

Total Local Earnings on Investment in Real Property \$ -

**State Revenue in Lieu of Taxes:**

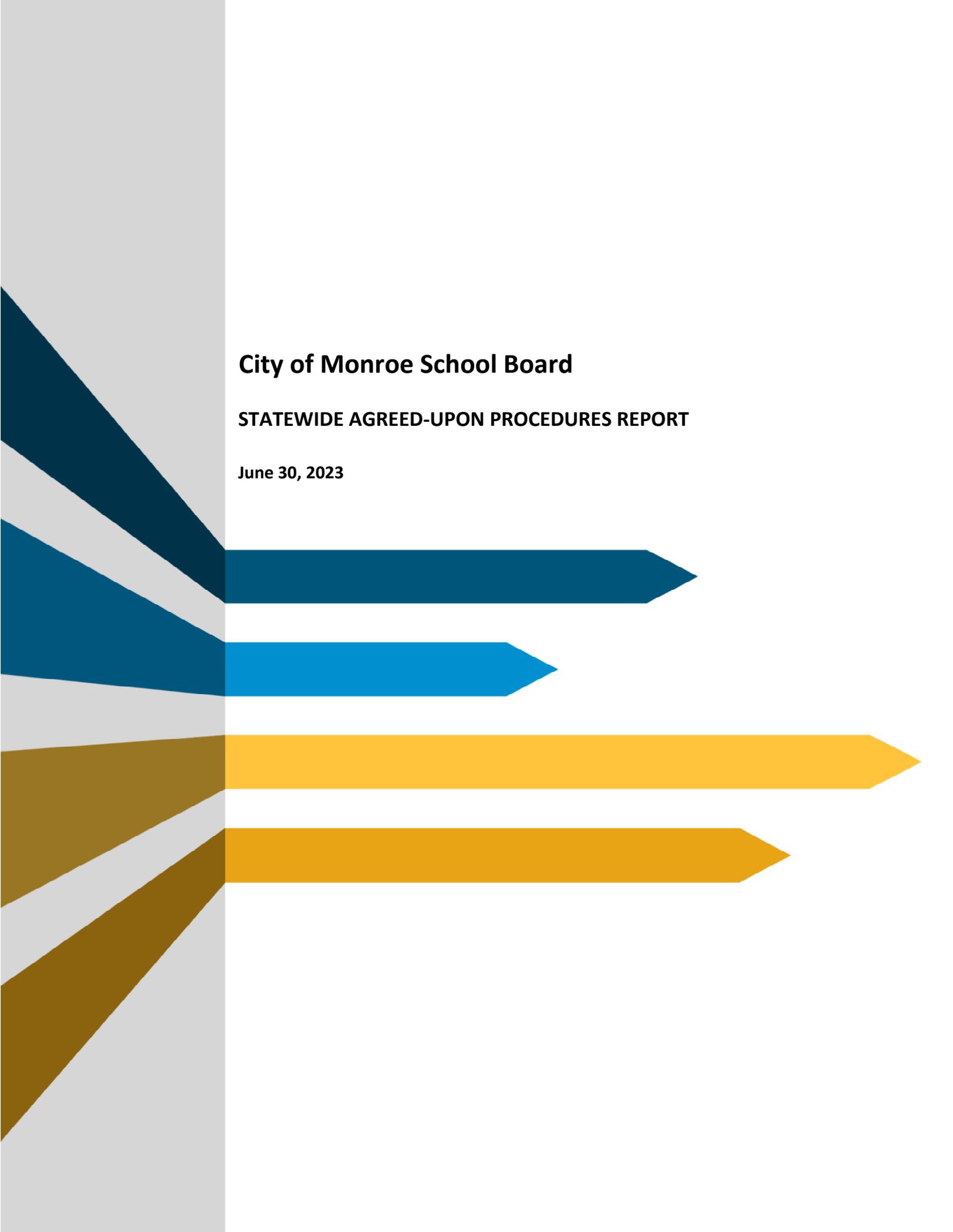
Revenue Sharing-Constitutional Tax	\$	337,715	
Total State Revenue in Lieu of Taxes		\$ 337,715	

## Nonpublic Textbook Revenue

\$ -

**CITY OF MONROE SCHOOL BOARD  
 Class Size Characteristics  
 As of October 1, 2022**

School Type	Class Size Range							
	1 - 20		21-26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	79.8%	1,289	19.7%	319	0.5%	8	0.0%	0
Elementary Activity Classes	78.6%	191	21.0%	51	0.4%	1	0.0%	0
Middle/Jr. High	68.5%	427	23.6%	147	7.2%	45	0.6%	4
Middle/Jr. High Activity Classes	90.0%	99	9.1%	10	0.9%	1	0.0%	0
High	79.4%	920	16.0%	186	4.6%	53	0.0%	0
High Activity Classes	93.2%	191	2.9%	6	0.5%	1	3.4%	7
Combination	96.0%	170	3.4%	6	0.0%	0	0.6%	1
Combination Activity Classes	93.3%	14	0.0%	0	0.0%	0	6.7%	1
Other	100.0%	5	0.0%	0	0.0%	0	0.0%	0



**City of Monroe School Board**

**STATEWIDE AGREED-UPON PROCEDURES REPORT**

**June 30, 2023**



**Carr, Riggs & Ingram, LLC**  
1000 East Preston Avenue  
Suite 200  
Shreveport, LA 71105

Mailing Address:  
P.O. Box 4278  
Shreveport, LA 71134-0278

(318) 222-2222  
(318) 226-7150 (fax)  
CRlcpa.com

## **INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the Members of the Board,  
City of Monroe School Board  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA’s) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The City of Monroe School Board’s management is responsible for those C/C areas identified in the SAUPs.

The City of Monroe School Board (the “School Board”) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA’s SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

### ***Written Policies and Procedures***

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:

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

**Results:** No exceptions were identified as a result of applying the procedure.

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

**Results:** The policy does not address the preparation and approval of purchase requisitions.

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

**Results:** The policy does not address the processing, reviewing, or approving of disbursements.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

**Results:** There is no written policy for receipts/collections.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

**Results:** No exceptions were identified as a result of applying the procedure.

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

**Results:** The policy does not address the types of services requiring written contracts, standard terms and conditions, legal review, approval process, or the monitoring process of contracts.

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

**Results:** No exceptions were identified as a result of applying the procedure.

- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

**Results:** No exceptions were identified as a result of applying the procedure.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

**Results:** The policy does not address the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, the system to monitor possible ethics violations and requirements that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

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

**Results:** The policy does not address continuing disclosure/EMMA reporting requirements, debt reserve requirements, or debt service requirements.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

**Results:** The policy does not address the identification of critical data and frequency of data backups, storage of backups in a separate physical location isolated from the network, periodic testing/verification that backups can be restored, use of antivirus software on all systems, timely application of all available system and software patches/updates, or the identification of personnel, processes, and tools needed to recover operations after a critical event.

- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Results:** The policy does not address annual reporting.

### **Board or Finance Committee**

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

**Results:** No exceptions were identified as a result of applying the procedure.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

**Results:** No exceptions were identified as a result of applying the procedure.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund

**Results:** No exceptions were identified as a result of applying the procedure.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

**Results:** CRI identified the minutes did not reference updates on the progress of resolving prior year audit findings.

### ***Bank Reconciliations***

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

**Results:** Two exceptions where the bank reconciliations were not prepared within 2 months of the statement closing date.

- b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

**Results:** No exceptions were identified as a result of applying the procedure.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Results:** Two exceptions where there was no evidence of management research of reconciling items over 12 months old.

***Collections (excluding electronic funds transfers)***

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

**Results:** CRI obtained a listing of deposit sites for the fiscal period and management's representation that the listing was complete.

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- a) Employees responsible for cash collections do not share cash drawers/registers;

**Results:** No exceptions were identified as a result of applying the procedure.

- b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

**Results:** Employees responsible for collecting cash also prepare or make deposits.

- c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

**Results:** Employees responsible for collecting cash are responsible for posting collection entries to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

**Results:** Employees responsible for collecting cash are responsible for reconciling cash collections to the general ledger.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

**Results:** No exceptions were identified as a result of applying the procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

**Results:** No exceptions were identified as a result of applying the procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

**Results:** No exceptions were identified as a result of applying the procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

**Results:** No exceptions were identified as a result of applying the procedure.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

**Results:** No exceptions were identified as a result of applying the procedure.

- e) Trace the actual deposit per the bank statement to the general ledger.

**Results:** No exceptions were identified as a result of applying the procedure.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

**Results:** CRI obtained a listing of locations that process payments and management's representation that the listing was complete.

9. For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

**Results:** No exceptions were identified as a result of applying the procedure.

- b) At least two employees are involved in processing and approving payments to vendors;

**Results:** No exceptions were identified as a result of applying the procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

**Results:** Five exceptions identified where the employee responsible for processing payments is not prohibited from adding/modifying the vendor files.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

**Results:** No exceptions were identified as a result of applying the procedure.

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

**Results:** No exceptions were identified as a result of applying the procedure.

10. For each location selected under procedure #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and

- a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

**Results:** No exceptions were identified as a result of applying the procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9 above, as applicable.

**Results:** No exceptions were identified as a result of applying the procedure.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

**Results:** No exceptions were identified as a result of applying the procedure.

***Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

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

**Results:** CRI obtained a listing of all active credit cards, bank debit cards, fuel cards, and Purchase-cards and management's representation that the listing was complete.

13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

**Results:** No exceptions were identified as a result of applying the procedure.

b) Observe that finance charges and late fees were not assessed on the selected statements.

**Results:** Late fees were identified on all statements provided.

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

should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

**Results:** No written documentation was provided for any of the selected card transactions.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));

**Results:** No exceptions were identified as a result of applying the procedure.

b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

**Results:** No exceptions were identified as a result of applying the procedure.

c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1g; and

**Results:** No exceptions were identified as a result of applying the procedure.

d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results:** No exceptions were identified as a result of applying the procedure.

***Contracts***

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

**Results:** No exceptions were identified as a result of applying the procedure.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

**Results:** No exceptions were identified as a result of applying the procedure.

- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

**Results:** No exceptions were identified as a result of applying the procedure.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Results:** No exceptions were identified as a result of applying the procedure.

### ***Payroll and Personnel***

- 17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

**Results:** No exceptions were identified as a result of applying the procedure.

- 18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #17 above, obtain attendance records and leave documentation for the pay period, and

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

**Results:** No exceptions were identified as a result of applying the procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;

**Results:** No exceptions were identified as a result of applying the procedure.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

**Results:** No exceptions were identified as a result of applying the procedure.

- d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

**Results:** No exceptions were identified as a result of applying the procedure.

19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

**Results:** No exceptions were identified as a result of applying the procedure.

20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

**Results:** No exceptions were identified as a result of applying the procedure.

### ***Ethics***

21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and

- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

**Results:** Two exceptions where there was no documentation that the employee completed their training.

- b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

**Results:** No exceptions were identified as a result of applying the procedure.

22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**Results:** No exceptions were identified as a result of applying the procedure.

### ***Debt Service***

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

**Results:** This procedure is not applicable as the School Board did not have any debt instruments issued during the year.

24. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Results:** No exceptions were identified as a result of applying the procedure.

### ***Fraud Notice***

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

**Results:** CRI obtained a listing of misappropriations of public funds and assets during the fiscal year and management's representation that the listing is complete. CRI observed the entity reported the misappropriations to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

26. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Results:** No exceptions were identified as a result of applying the procedure.

### ***Information Technology Disaster Recovery/Business Continuity***

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

**Results:** We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

**Results:** We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**Results:** We performed the procedure and discussed the results with management.

- 28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**Results:** No exceptions were identified as a result of applying the procedure.

### ***Prevention of Sexual Harassment***

- 29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

**Results:** Three exceptions identified where employees did not have evidence of sexual harassment training.

- 30. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

**Results:** No exceptions were identified as a result of applying the procedure.

- 31. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;

- c) Number of complaints which resulted in a finding that sexual harassment occurred
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

**Results:** CRI identified that the report was not dated and that the number of employees who completed the training requirements was not accurate.

We were engaged by the City of Monroe School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana

June 24, 2024



**MONROE**  
CITY SCHOOLS  
*Business Department*  
*P.O. Box 4180*  
*Monroe, LA 71211*

***Davona Howard***  
*Chief Financial Officer*

*(318) 325-0601, Ext. 3032*  
*Fax: (318) 812-3605*  
*davona.howard@mcschools.net*

June 24, 2024

Louisiana Legislative Auditor  
1600 North 2<sup>nd</sup> Street  
PO Box 94397  
Baton Rouge, LA 70804-9397

And

Carr, Riggs & Ingram, LLC  
1000 East Preston Avenue, Suite 200  
Shreveport, Louisiana 71105

Re: Management Response to Statewide Agreed-upon Procedures

The City of Monroe School Board's management has reviewed the Independent Accountants' Report on Applying Agreed-upon Procedures. Management is in agreement with the report as provided by Carr, Riggs & Ingram, LLC. In addition, the City of Monroe School Board will implement changes/additions to policies and/or procedures where necessary to meet the expectations in the report.

Respectfully,

Davona Howard  
Chief Financial Officer