

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2006**

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

Release Date 1-31-07

**Ginger Armstrong
President**

**Ollie S. Tyler
Superintendent**

**Ben Wreyford
Director of Finance**

Prepared by the Department of Finance

**Caddo Parish School Board
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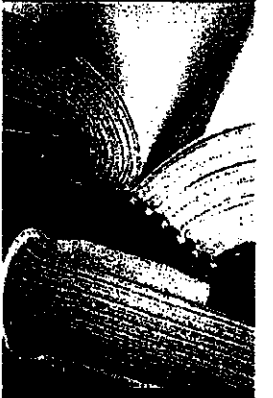
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INTRODUCTORY SECTION



CADDO PARISH SCHOOL BOARD

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Ollie S. Tyler
Superintendent

Transmittal Letter

December 22, 2006

Ms. Ginger Armstrong, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

District 1
PHILLIP R. GUIN

District 2
EURLA D. HARDY

District 3
WILLIE D. BURTON

District 4
CHARLOTTE CRAWLEY

District 5
LOLA MAY

District 6
TAMMY T. PHELPS

District 7
LILLIAN PRIEST

District 8
BONITA CRAWFORD

District 9
BARRY F. RACHAL

District 10
LARRY RAMSEY

District 11
GINGER ARMSTRONG

District 12
WILLIE HENDERSON

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Caddo Parish School Board for the year ended June 30, 2006.

This report consists of management's representations concerning the finances of the Caddo Parish School Board. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Caddo Parish School Board (School Board) has established a comprehensive internal control framework that is designed both to protect the School Board's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Caddo Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Caddo Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Allen, Green, & Williamson, LLP, a firm of licensed certified public accountants, has audited the Caddo Parish School Board's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Caddo Parish School Board for the fiscal year ended June 30, 2006 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Caddo Parish School Board's financial statements for the fiscal year ended June 30, 2006 are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

The Comprehensive Annual Financial Report consists of three parts – the introductory, financial and statistical sections. The introductory section includes a transmittal letter, information on financial reporting achievements, organizational structure, recognition of the elected officials and a list of selected administrative officials.

Ms. Ginger Armstrong, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

The financial section consists of management's discussion and analysis, basic financial statements, required supplementary information and combining nonmajor and individual fund statements and schedules. Included in the statistical section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the School Board for the past 10 years.

The independent audit of the financial statements of the Caddo Parish School Board was part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Caddo Parish School Board's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Caddo Parish School Board's MD&A can be found immediately after the report of the independent auditors.

PROFILE OF THE CADDO PARISH SCHOOL BOARD

Purpose and operations. The Caddo Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Caddo Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 12 members who are elected from 12 districts for concurrent terms of 4 years.

The School Board operates 73 schools within the parish with a total enrollment of approximately 44,000 pupils. The School Board provides a full range of educational services appropriate to grade levels K through 12. These include regular and enriched academic education, special education for handicapped students, occupational education, and many individualized programs such as specialized instruction for disadvantaged students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in the fine arts and athletics. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

Reporting entity. The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Caddo Parish School Board (the primary government). Based on the above criteria there are no component units to be included in the School Board's reporting entity.

The Superintendent submits an annual operating budget to the School Board at its regular meeting in May or June of each year. The operating budget serves as the foundation for the School Board's financial planning and control. The proposed budget is made available for public inspection at least 15 days prior to the date of a public hearing and at least one public hearing is held, as required by Louisiana law, prior to its adoption by the School Board. Budget-to-actual comparisons are provided in this report.

Ms. Ginger Armstrong, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the School Board operates.

Local economy. More than 250 manufacturers employing over 20,000 are located in the area. Greater Shreveport is home to companies that produce automobiles, glassware, commercial transformers, towers for wind generation of electricity and large steel pressure vessels, outdoor cookers, paper and wood products, equipped shelters and towers for telecommunications, automobile batteries and parking lot/garage meter tickets. Notable recent projects for the area are General Motors Shreveport Assembly Plant, the U. S. Support Company, Steelscape and Libbey Glass.

A cumulative \$1.2 billion expansion at General Motors Assembly Plant led to the addition of the Hummer3 and produced 16 new suppliers for the Chevy Colorado and GMC Canyon pickup trucks. General Motors Shreveport operations employs 3,200 placing Shreveport in a key position in the southern United States' automotive corridor.

In less than two years, U. S. Support Company, an inbound call center operation has expanded to 2,000 employees. With this expansion, call centers in Northwest Louisiana employ a total of 3,500.

Steelscape announced last year its location to the Port of Shreveport-Bossier. This multi-national metal processing company produces metallic coated and pre-painted steel coils. This is the biggest individual project ever undertaken at the Port and will provide an estimated local economic impact of nearly \$400 million annually from its 200,000 square foot facility.

Libbey Glass has recently completed a 646,000 square foot distribution facility for its Shreveport plant products. The center developed will support Libbey's 1,100-employee Shreveport glassware plant. The 75-acre site provides room for future expansion also.

New facilities related to tourism have kept the construction industry busy. A \$100 million convention center recently opened in downtown Shreveport. An adjoining \$50 million hotel is scheduled to open in 2007. New riverfront projects are the \$12.5 million Shreveport Riverview project, which includes a visitor's center, amphitheater, floating boat docks and a programmable walk-in fountain. The Louisiana Boardwalk located on the east bank of the river in Bossier City offers outlet shopping, riverfront dining and an entertainment district.

On the retail scene, two major department stores have announced plans to construct stores in southeast Shreveport. J. C. Penney and Kohl's department stores are scheduled for opening in 2007. Robust retail activity is reflected in sales tax collections. For the first quarter of 2006-07, sales tax collections are 15% ahead of the same period last year.

In the past year, the Chimp Haven Sanctuary, which provided a permanent home for chimpanzees from the biomedical research community and entertainment industry, opened its \$4.9 million facility in southwest Caddo Parish.

The film industry in northwest Louisiana is growing. Several major motion pictures have filmed in the area during the past year. Louisiana tax credits are attracting production companies to the state and many are choosing Greater Shreveport, further diversifying this region's economy.

Health care is the area's leading industry. The region serves as the medical hub for north Louisiana, east Texas and south Arkansas. Major projects underway are the new \$22 million children's hospital at Christus Schumpert Medical Center and a new \$12 million Allied Health building at LSU Medical Center. The Intertech Science Park, an 800-

Ms. Ginger Armstrong, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

acre triangle near downtown Shreveport, houses more than 300 medical researchers and support personnel in its Biomedical Research Institute. It is projected to create 6,000 jobs in the next 25 years.

Construction of Provenance, a \$100 million self-sustaining housing development has begun on a tract located on Southern Loop Road between Norris Ferry and Wallace Lake roads. It will be a traditional neighborhood that will include houses, shops, and parks. Houses in the development are expected to cost from \$140,000 to \$350,000 and range from apartments and town homes to small and large homes. Plans call for a population of 3,000 residents in full development in about a decade.

Long-term financial planning. The mission of the School Board is to improve the academic achievement of students and overall district effectiveness. We have high expectations for everyone – students, teachers, administrators, parents, community volunteers, and support groups. While acknowledging that Caddo has many successful schools, the state’s accountability plan is driving fundamental changes in instruction by demanding that schools show annual academic growth. These measures will require that elected officials and administrators provide effective leadership for the wisest use of all available resources. The School Board has adopted goals and objectives to improve its fund balance, increase grant revenues, and reduce costs of support functions while addressing critical instructional needs.

Cash management policies and practices. The School Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by instruments issued by the U.S. government or federal government agencies created by an act of Congress or insured by the Federal Deposit Insurance Corporation. The total amount of interest earned was \$5,289,328 for the year ended June 30, 2006. This was distributed as follows:

General Fund	\$2,499,877
Parish-Wide Capital Projects Fund	1,952,667
Child Nutrition Fund	198,176
Debt Service Fund	253,441
CEEF Permanent Fund	385,167

Risk management. The School Board maintains a combination of self-insurance and stop-loss coverage to manage its risk of loss from property damage, theft, workers' compensation and claims against employees. A list of insurance in force is included in Table 18. The fund balances of the General Fund includes \$5,917,619 designated for contingencies established in anticipation of possible losses from lawsuits.

Facilities. The school system operates buildings at 83 school and auxiliary sites. Buildings on these sites range in age from 18 years to 101 years old.

Pension and other post employment benefits. The School Board provides a defined benefit pension plan for its employees through two cost-sharing multiple-employer statewide plans. The School Board has no obligations in connection with employee benefits offered through these plans beyond its annual required payments to the plan.

The School Board also provides post-retirement healthcare and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were 3,099 retired employees receiving these benefits, which are financed on a fully insured basis.

Additional information on the School Board's pension arrangements and post-employment benefits can be found in notes 6 and 7 in the notes to the basic financial statements.

Ms. Ginger Armstrong, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

AWARDS

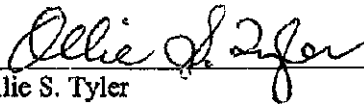
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2005. This was the 18th consecutive year that the School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, the School Board published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The Association of School Board Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting Award for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2005. This was the 18th consecutive year that the School Board has received this prestigious award. The award represents a significant achievement by the School Board and reflects our commitment to the highest standards of school system financial reporting.

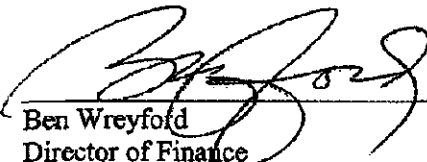
The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe that our current CAFR continues to meet the certificate requirements and we are submitting it to both GFOA and ASBO to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.



Ollie S. Tyler
Superintendent



Ben Wreyford
Director of Finance

Caddo Parish School Board



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Caddo Parish School Board
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in cursive script, appearing to read "Ronald J. Klein".

President

A handwritten signature in cursive script, appearing to read "Jeffrey R. Ennis".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

CADDO PARISH SCHOOL BOARD

**For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2005**

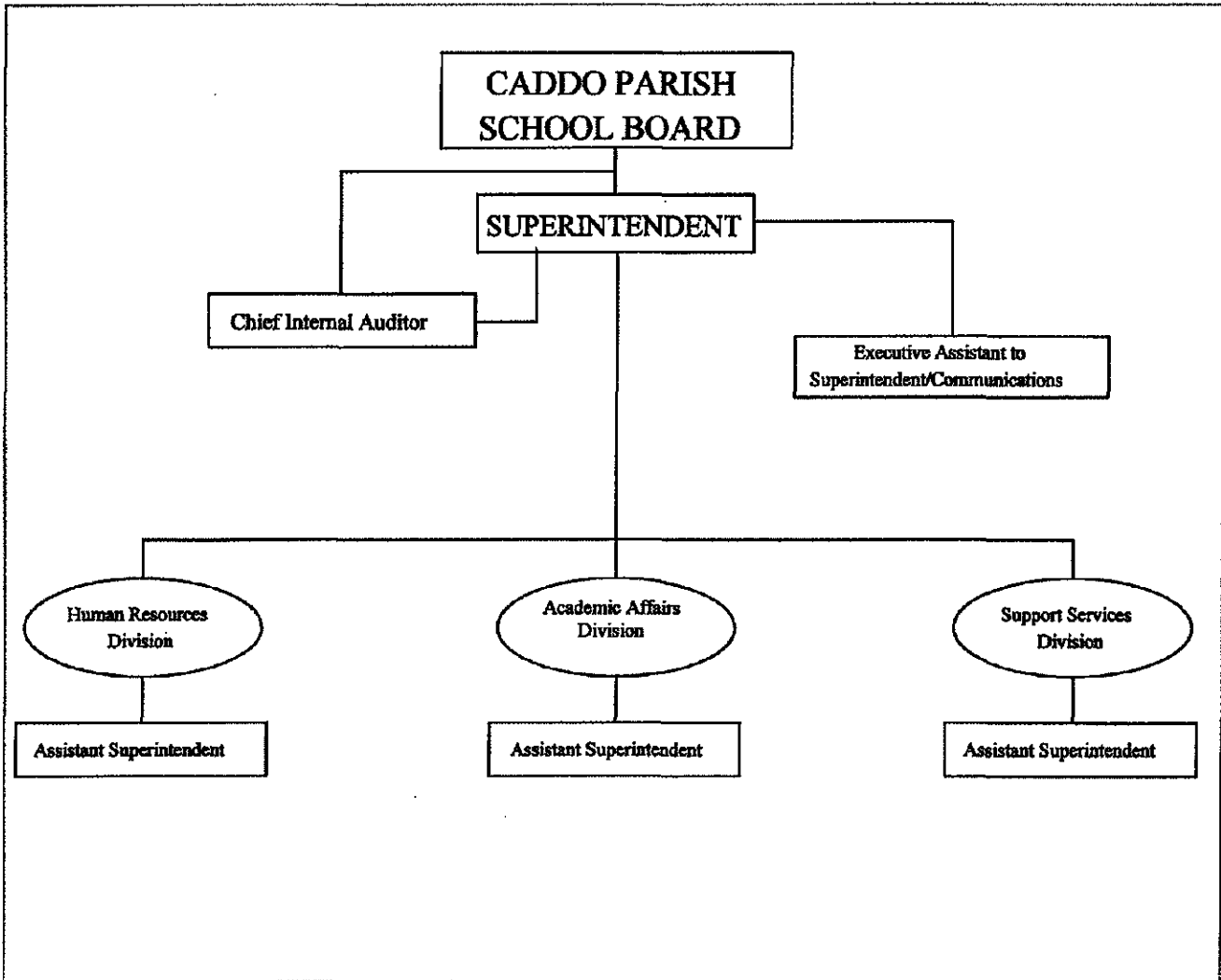
Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Interim Executive Director

Caddo Parish School Board

Organization Chart
June 30, 2006



The Caddo Parish School Board

EXECUTIVE COMMITTEE



Ginger Armstrong
President
District 11



Lola May
First Vice President
District 5



Willie D. Burton
Second Vice President
District 3



Phillip R. Guin
District 1



Eursla D. Hardy
District 2



Charlotte Crawley
District 4



Tammy T. Phelps
District 6



Lillian Priest
District 7



Bonita Crawford
District 8



Barry F. Rachal
District 9



Larry Ramsey
District 10

X



Willie Henderson
District 12

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

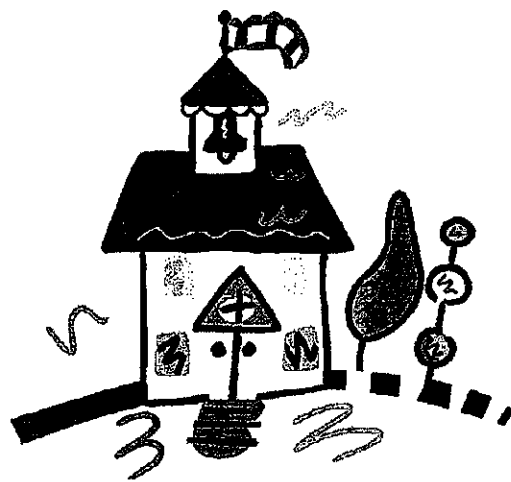
ELECTED OFFICIALS

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Began as a Board Member</u>
Ginger Armstrong, President	January 1, 2003	December 31, 2006	January 1999
Lola May, 1st Vice President	January 1, 2003	December 31, 2006	January 2003
Willie D. Burton, 2 nd Vice President	January 1, 2003	December 31, 2006	January 1991
Bonita Crawford	March 25, 2004	December 31, 2006	March 2004
Charlotte Crawley	January 1, 2003	December 31, 2006	January 2003
Phillip R. Guin	January 1, 2003	December 31, 2006	January 1999
Eursla D. Hardy	January 1, 2003	December 31, 2006	August 2001
Willie Henderson	January 1, 2003	December 31, 2006	January 2003
Tammy T. Phelps	January 6, 2004	December 31, 2006	January 2004
Lillian Priest	July 30, 2004	December 31, 2006	July 2004
Barry F. Rachal	March 25, 2004	December 31, 2006	March 2004
Larry Ramsey	January 1, 2003	December 31, 2006	January 2003

SELECTED ADMINISTRATIVE OFFICIALS

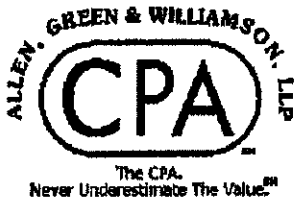
Ollie S. Tyler	Superintendent
Richard Lavergne	Assistant Superintendent, Support Services
Mary Nash Robinson	Assistant Superintendent, Human Resources
Wanda Gunn	Assistant Superintendent, Academic Affairs
Ben Wreyford	Director of Finance
Jeff Howard	Chief Internal Auditor

Caddo Parish School Board





FINANCIAL SECTION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Monroe, LA 71211-6075

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Monroe, LA 71201

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Tim Green, CPA
Margie Williamson, CPA

Diane Perschoff, CPA
Amy Tynes, CPA

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

Independent Auditor's Report

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Caddo Parish School Board as of and for the year ended June 30, 2006, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Caddo Parish School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Caddo Parish School Board as of June 30, 2006, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued under separate cover, our report dated December 22, 2006 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the Budgetary Comparison Schedules are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Caddo Parish School Board's basic financial statements. The accompanying information identified in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole. The information identified in the table of contents as the Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 22, 2006

REQUIRED SUPPLEMENTARY INFORMATION:

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

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)

The discussion and analysis of Caddo Parish School Board's (School Board) financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2006. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. Readers should also review the transmittal letter (pages i-v, financial statements (pages 17 through 25) and notes to the basic financial statements (pages 26 through 42) to enhance their understanding of the School Board's financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2006, are as follows:

▪ **Statement of Net Assets:**

The assets of the Caddo Parish School Board exceeded its liabilities at the close of the most recent fiscal year by \$156,855,258 (net assets). Of this amount, approximately \$34 million (unrestricted net assets) may be used to meet government's obligations to citizens and creditors.

▪ **Statement of Activities:**

The School Board's total net assets increased by \$26,486,815 for the year ended June 30, 2006.

▪ **Governmental Funds Balance Sheet:**

As of the close of the fiscal year 2005-06, the Caddo Parish School Board's governmental funds reported combined ending fund balance of \$119,080,637, an increase of \$18,764,642 in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$46 million which is available for spending within the General Fund, (2) \$13 million which is reserved for purposes of instructional enhancement within the Caddo Educational Excellence (CEE) Permanent Fund and Operating Special Revenue Fund, and (3) \$48 million which is for capital projects within the Capital Projects Funds.

▪ **Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Total revenues for the year ended June 30, 2006 for the governmental funds of the Caddo Parish School Board amounted to \$406,159,208. Approximately 81% of this amount is received from three major revenue sources: (1) \$176 million from Louisiana's Minimum Foundation Program, (2) \$87 million from local ad valorem taxes, and (3) \$67 million from local sales and use taxes.

▪ **General Fund's Ending Fund Balance:**

At the end of the current fiscal year, unreserved fund balance for the General Fund, a major fund, was \$44,603,930, or 15% of total General Fund expenditures. \$6.8 million (designated) is set aside for future claims and contingencies and equipment replacement, while \$37.8 million (undesignated) is available for spending at the School Board's discretion.

▪ **Capital Assets:**

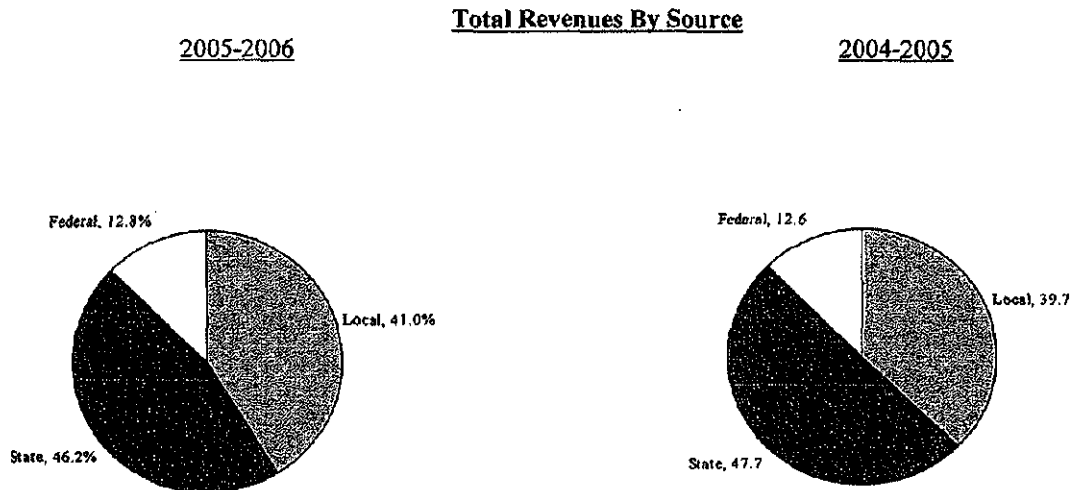
Total capital assets (net of depreciation) were \$153,564,419 or 48% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.

▪ **Long-Term Liabilities:**

The Caddo Parish School Board's total long-term debt increased \$16,760,455 during the current fiscal year. Debt on general obligation bonds increased by \$18,100,000. Debt on outstanding Qualified Zone Academy Bond Program decreased by \$254,545. Debt on outstanding certificates of indebtedness decreased by \$1,085,000.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)

This year, primary resources available to the school system are local revenues, primarily tax receipts, which total \$166.5 million or 41.0% of the total; state revenues, primarily Minimum Foundation Program funding (equalization) and special grants, totaling \$187.6 million or 46.2% of the total; and federal funds, totaling \$52.0 million or 12.8%. Last year, local revenues were \$149.6 million or 39.7%, while state revenues were \$180.2 million or 47.7%, and federal revenues were \$47.5 million or 12.6%.



Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Caddo Parish School Board's basic financial statements. The Caddo Parish 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 Caddo Parish School Board's finances, in a manner similar to a private sector business.
 - The **Statement of Net Assets** presents information on all of the Caddo Parish School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Caddo Parish School Board is improving or deteriorating.
 - The **Statement of Activities** presents information showing how the Caddo Parish School Board's net assets changed during the most recent fiscal year. All changes in net assets 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).
 - The governmental-wide financial statements can be found on pages 17-18 of this report.

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Management's Discussion and Analysis (MD&A)

- **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 Caddo Parish 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 Caddo Parish School Board can be divided into two categories: governmental funds and fiduciary funds.
 - **Governmental funds.** Governmental funds are used to account for essentially the same functions 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 Caddo Parish School Board's 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 Caddo Parish School Board's near-term financing decisions. 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 Caddo Parish School Board maintains twenty-four individual 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 and Parish-wide Capital Projects which are considered to be major funds. Data for the other twenty two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements on pages 49 through 51 in this report. The debt service fund is used to account for the accumulation of resources for, and the payment of, long term debt principal, interest, and related costs. The permanent fund, CEEF, is used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended.
 - The Caddo Parish School Board adopts an annual appropriated budget for its General Fund and Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.
 - The basic governmental fund financial statements can be found on pages 20 through 24 of this report.
 - **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Caddo Parish School Board. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Caddo Parish School Board's own programs. The Caddo Parish School Board maintains two fiduciary funds named the School Activity Funds and the Central Office Concession. The basic fiduciary funds financial statements can be found on page 25 of this report.
 - **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. The notes to the financial statements can be found on pages 26 through 42 of this report.
 - **Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Caddo Parish School Board's compliance

Caddo Parish School Board
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with budgets for its major funds. The combining statements for nonmajor governmental funds are presented immediately following the required supplementary information.

Financial Analysis of Government-wide Activities

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Caddo Parish School Board, assets exceed liabilities by \$156,855,258 at the close of the most recent fiscal year (FY).

The largest portion of the Caddo Parish School Board's net assets totaling more than \$74 million (48%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Caddo Parish 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 Caddo Parish School Board's investment in its capital assets 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.

The School Board as a Whole. The School Board's net assets were \$156,855,258 at June 30, 2006. Of this amount; \$34,312,000 was unrestricted, \$47,686,022 was restricted, and \$74,857,236 was invested in capital assets net of related debt.

The following analysis focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities:

TABLE 1
Net Assets (in millions)

	Governmental Activities		Percentage Change
	June 30, 2006	June 30, 2005	
Current and other assets	\$151.7	\$140.4	8.0
Restricted assets	12.6	11.6	8.6
Capital assets net of accumulated depreciation	<u>153.6</u>	<u>127.3</u>	20.7
Total assets	<u>317.9</u>	<u>279.3</u>	13.8
Current and other liabilities	48.9	52.7	-7.2
Long-term liabilities	<u>112.1</u>	<u>96.2</u>	16.6
Total liabilities	<u>161.0</u>	<u>148.9</u>	8.2
Net Assets			
Invested in capital assets, net of related debt	74.9	75.3	-0.5
Restricted	47.7	33.4	42.8
Unrestricted	<u>34.3</u>	<u>21.7</u>	58.1
Total net assets	<u>\$156.9</u>	<u>\$130.4</u>	20.4

Restricted net assets of \$47,686,022 are reported separately to show legal constraints for the payment of outstanding long-term debt obligations and to limit the Caddo Parish School Board from using these funds for day-to-day operations. The debt service fund accounts for \$6,505,944 and capital project funds account for \$28,148,800. The remaining balance is restricted for instructional enhancement and is generated from the school board's share of gaming receipts that are collected from area riverboat casinos. State law requires the gaming receipts to be held in perpetuity;

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)

however, the investment earnings may be spent for purposes of instructional enhancement. As of June 30, 2006, the permanently restricted portion was \$12,639,924 and investment earnings were \$391,354. The remaining balance of \$34,312,000 (22%), may be used to meet the Caddo Parish School Board's ongoing obligations to citizens and creditors.

Net assets increased \$26,486,815 or 20.4% from the prior year mainly due to increased cash, construction in progress, and buildings improvements.

Governmental Activities. Governmental Activities increased the School Board's net assets by \$26,486,815. Key elements of this increase are as follows:

TABLE 2
Changes in Net Assets (in millions)

	<u>Fiscal Year Ended June 30,</u>		Percentage Change
	<u>2006</u>	<u>2005</u>	
Revenues:			
Program revenues			
Charges for services	\$ 2.6	\$ 2.6	0.0
Operating grants and contributions	61.5	51.4	19.6
General revenues			
Ad valorem taxes	86.7	83.4	4.0
Sales taxes	66.6	56.5	17.9
State Minimum Foundation Program	175.7	173.0	1.6
Other general revenues	<u>13.1</u>	<u>10.4</u>	26.0
Total revenues	<u>406.2</u>	<u>377.3</u>	7.7
Function/program expenses:			
Instruction			
Regular programs	133.9	142.1	-5.8
Special programs	52.1	51.6	1.0
Other instructional programs	32.6	22.4	45.5
Support services			
Student services	15.1	14.3	5.6
Instructional staff support	21.9	19.1	14.7
General administration	5.0	5.6	-10.7
School administration	21.9	21.8	0.5
Business services	3.5	3.4	2.9
Plant services	41.7	34.3	21.6
Student transportation services	21.1	19.5	8.2
Central services	4.8	4.7	2.1
Food services	21.2	20.7	2.4
Community service programs	0.7	0.7	0.0
Interest on long-term debt	<u>4.2</u>	<u>2.9</u>	44.8
Total expenses	<u>379.7</u>	<u>363.1</u>	4.6
Increase (decrease) in net assets	<u>26.5</u>	<u>14.2</u>	86.6
Net assets – beginning	<u>130.4</u>	<u>116.2</u>	12.2
Net assets – ending	<u>\$156.9</u>	<u>\$130.4</u>	20.2

**Caddo Parish School Board
Management's Discussion and Analysis (MD&A)**

Governmental Activities Total and Net Costs.

As reported in the Statement of Activities, on page 18, the total cost of all governmental activities this year was \$379,701,926.

The table below presents the cost of each of the School Board's largest functions – regular instructional programs, special instructional programs, other instructional programs, plant services, student transportation services, and food services, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows the analysis of the cost of each function in comparison to the benefits provided by that function.

	Total Costs of Service		Percent	Net Costs of Service		Percent
	2006	2005	Change	2006	2005	Change
Regular programs	\$133.9	\$142.1	-5.8	\$118.9	\$126.5	-6.0
Special programs	52.1	51.6	1.0	49.0	43.7	12.1
Other instructional programs	32.6	22.4	45.5	15.5	20.7	-25.1
Plant services	41.7	34.3	21.6	41.6	30.3	37.3
Student transportation services	21.1	19.5	8.2	21.0	17.2	22.1
Food services	21.2	20.7	2.4	5.8	6.5	-10.8
All other	77.1	72.5	6.3	\$ 63.8	64.2	-0.6
Totals	\$379.7	\$363.1	4.6	315.6	\$309.1	2.1

Program Expenses and Revenues Governmental Activities

Expenses are classified by functions/programs. The related revenues are comprised of specific charges for the services and operating grants and contributions received to offset the expenses for the specific program.

Instructional services (regular programs, special programs, other instructional programs) for fiscal 2006 totaling \$218,543,316 or 58% of total expenditures, increased \$ 2,450,784 or 1.1% from fiscal year 2005.

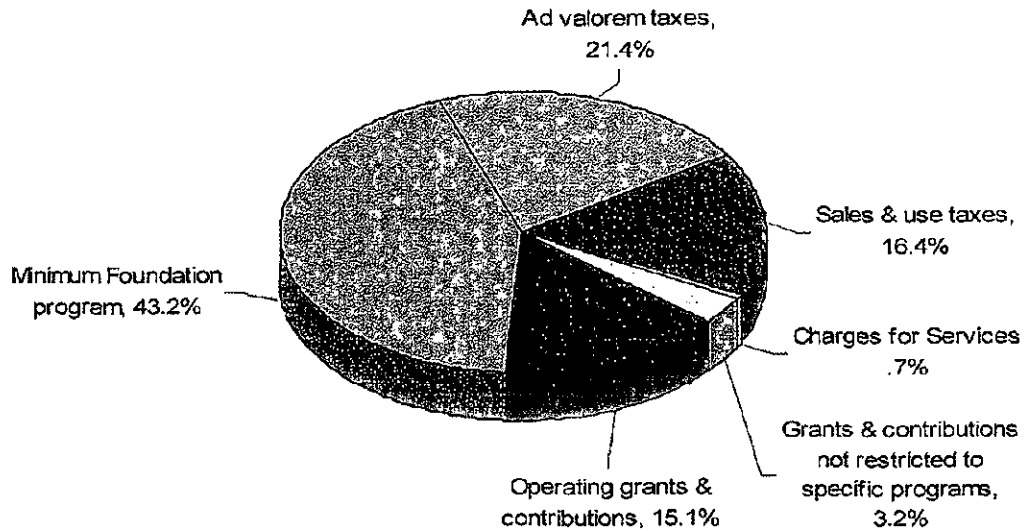
Services that support the instructional services including student services, instructional staff support, general administration, school administration, business services, plant services, student transportation services and central services are support services. Support services for fiscal 2006 totaling \$135,050,376 or 36% of total expenditures, increased \$12,462,673 or 10% from fiscal 2005 primarily due to growth in costs of salaries and benefits and increases in plant services.

The remaining expenditures (food services, community service programs, and interest on long term debt) of \$26,108,234 or 7% of total expenditures, increased \$1,706,304, or 7% from fiscal 2005 primarily due to increased interest costs on long term debt.

The program revenues for fiscal 2006 directly related to these expenses totaled \$61,535,922, which along with \$2,577,202 in charges for services, resulted in net program expenses of \$315,588,802. These net program expenses are funded by general revenues of the Caddo Parish School Board.

**Caddo Parish School Board
Management's Discussion and Analysis (MD&A)**

Revenues by Source – Governmental Activities



- Grants and Contributions Not Restricted to Specific Programs:** The single largest source of revenue to the Caddo Parish School Board for grants and contributions not restricted to a specific program is the State Equalization or commonly called the Minimum Foundation Program (MFP). The MFP distribution is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in MFP funds for the past three years.

Fiscal Year	General	Child Nutrition Program	Total MFP	Increase	
2003-2004	165,562,566	4,754,001	170,316,567	6,747,124	4.1%
2004-2005	168,268,576	4,754,000	173,022,576	2,706,009	1.6%
2005-2006	170,849,136	4,814,452	175,663,588	2,641,012	1.5%

In FY 2005-2006, the School Board received \$175,663,588 or 43.2% of its total revenue from the MFP. These revenues are deposited in the General Fund and the Child Nutrition Program Fund only. Most of the \$2,641,012 or 1.6% increase is due to an allocation for increased benefits and transportation costs and a one-time payment to assist with students displaced to Caddo due to hurricanes Katrina and Rita.

- Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the second largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the Caddo Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. The chart below lists the ad valorem tax deposits for the past three years.

**Caddo Parish School Board
Management's Discussion and Analysis (MD&A)**

<u>Fiscal Year</u>	<u>General</u>	<u>Parish-Wide Capital Projects</u>	<u>Nonmajor Debt Service</u>	<u>Total Ad Valorem Taxes</u>	<u>Increase</u>	
2003-2004	56,655,618	11,856,193	8,394,531	76,906,342	4,418,168	6.1%
2004-2005	60,701,593	12,987,759	9,716,257	83,405,609	6,499,267	8.5%
2005-2006	64,253,803	13,522,237	8,976,506	86,752,546	3,346,937	4.0%

In FY 2005-2006, the School Board recognized \$86,752,546 of ad valorem tax revenues for the General Fund, the Parish-Wide Capital Projects Fund and the Debt Service Fund. This represents 21.4% of the total revenues received. Ad valorem tax revenues in FY 2005-2006 increased by 4.0% as a result of increase property assessments.

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Caddo Parish School Board. A 1.5% sales tax rate is levied upon the sale and consumption of goods and services within the parish. The chart below lists the sales and use tax revenues for the past three years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Increase(Decrease)</u>	
2003-2004	52,918,426	(95,728)	(0.2)%
2004-2005	56,468,752	3,550,326	6.7%
2005-2006	66,580,568	10,111,816	17.9%

All sales and use tax revenues are deposited into the General Fund. This represents 16.4% of the total revenues received. The increase in FY 2005-2006 resulted from increased retail activity and the settlement of a major sales tax lawsuit.

- **Operating Grants and Contributions:** Operating grants and contributions are the fourth largest source of revenues for the School Board. This revenue type is primarily comprised of federal grants with some state grants included. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost. The chart below shows the operating grants and contributions by fund source. The Title I, Child Nutrition, and Misc. State/Federal Grants funds are not major funds for the 2005-2006 fiscal year. These amounts are included in the nonmajor special revenue column for 2005-2006.

<u>Fiscal Year</u>	<u>General</u>	<u>Title I</u>	<u>Child Nutrition</u>	<u>Misc. State/ Federal Grants</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>	<u>Increase/Decrease</u>	
2003-2004	2,157,851	15,265,314	11,316,837	5,957,098	21,854,910	56,552,010	7,058,959	14.3%
2004-2005	1,261,248	16,080,460	12,383,417	6,965,299	14,718,787	51,409,211	(5,142,799)	(9.0)%
2005-2006	4,221,696	NA	NA	NA	57,314,226	61,535,922	10,126,711	19.6%

In FY 2005-2006, the School Board received \$61,535,922 in operating grants and contributions. The 19.6% increase in FY 2005-2006 is the result of Hurricane Education Recovery funding, Tobacco Settlement funding, and a one-time state salary supplement.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)

Financial Analysis of the Government's Funds

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

The focus of the Caddo Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Caddo Parish 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.

The General Fund is the main operating fund of the Caddo Parish School Board. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$44,603,930. The Caddo Parish School Board has designated 15% of the unreserved fund balance for future claims and contingencies and equipment replacement. The remaining 85% or \$37,832,781 (undesignated) is available for spending at the Caddo Parish School Board's discretion. The fund balance of the general fund increased \$15,411,734 for the fiscal year. The main reasons for this growth were increased revenues from property taxes, sales tax, state equalization and interest income.

The Parish-Wide Capital Projects Fund has a total fund balance of \$48,148,800. A net decrease of \$976,830 occurred during the current fiscal year, largely due to expenditures for building renovations.

General Fund Budgetary Highlights. The Caddo Parish School Board recognizes the importance of sound fiscal planning, as well as the technical relationship of the financial structure to the teaching of students. Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Caddo Parish School Board complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original budget for the Caddo Parish School Board was adopted on May 17, 2005, and the final budget amendment was adopted on April 18, 2006. Differences between the original budget and the final amended budget of the General Fund are as follows:

Revenues

- Ad valorem taxes were estimated at \$60,804,900 when the budget was first submitted to the School Board in April 2005. The original budget was increased by \$2,580,000 as a result of increased property assessments.
- Local sales tax earnings were estimated at \$58,500,000. The original budget was increased by \$2,000,000, due to higher collections during the fiscal year.
- State equalization (Minimum Foundation Program) was estimated at \$3,974 per student. However, when the final appropriation was received from the State Department of Education in December 2005, the amount had increased to \$4,097 per student. The increase was due to a higher base per pupil amount used in the MFP formula, an adjustment for higher retirement and transportation costs, and a one time allocation for students displaced to Caddo due to Hurricanes Katrina and Rita.

Expenditures

- The original budget for instruction (regular programs, special programs, and other instructional programs) was increased by \$2,683,858 primarily as a result of salary increases and new text books.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)

- The budget for plant services increased \$1,727,073 primarily as a result of salary increases, repair materials, and utilities
- Student transportation services' budget was increased \$1,037,500 because salary increases and fuel costs.
- The original budget projected an ending fund balance of \$6,049,355. The revised ending fund balance was \$18,095,874.

Actual Results

- Actual revenues were higher than the final budget with a variance of \$19,839,744 from the budget of \$325,688,137. Of this difference \$6,080,568 is attributable to the sales and use tax revenue and \$13,116,076 is the difference in beginning fund balances.
- Total actual expenditures were under the final budget by \$8,374,726. Most of this is due to less expenditures in instruction than budgeted primarily the result of vacant positions during the year and lower cost of benefits than projected.

Capital Asset and Debt Administration

Capital Assets. For the year ended June 30, 2006, the School Board had \$153,564,419 (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings, furniture and equipment, and transportation equipment. This amount represents a net increase (including additions, deductions, and depreciation) of \$26,285,225 or 20.7%, from last year.

Capital Assets
(Net of depreciation)

	<u>Governmental Activities</u>	
	As of June 30,	
	2006	2005
Land	\$ 4,654,952	\$ 4,654,952
Construction in progress – buildings	20,308,308	11,787,784
Buildings and improvements	111,448,668	94,955,602
Furniture and equipment	6,832,669	4,531,374
Transportation equipment	10,319,822	11,349,482
	\$ 153,564,419	\$ 127,279,194

Major capital assets events during the fiscal year included the following:

- Roofing at Atkins Elementary, Barrett Elementary, Blanchard Elementary, Claiborne Elementary, J. S. Clark Middle, Creswell Elementary, Eighty-First Street ECE, Huntington High, Linear Middle, Midway Elementary, Mooretown Elementary, North Caddo High, Southwood High, Booker T. Washington High, West Shreveport Elementary, Woodlawn High, and Shreveport and Vivian Garages.
- Canopies over sidewalks at Caddo Career and Technology Center, Creswell Elementary, University Elementary, and Youree Drive Middle.

**Caddo Parish School Board
Management's Discussion and Analysis (MD&A)**

- Lighting retrofits at Barrett Elementary, Caddo Magnet High, Captain Shreve High, Central Elementary, Eden Gardens Elementary, Linear Middle, Oak Park Elementary, Pine Grove Elementary, Walnut Hill Elementary/Middle, and Werner Park Elementary.
- Air-conditioning at Fairfield Elementary, Fair Park High, Linear Middle, North Highlands Elementary, Northside Elementary, Pine Grove Elementary, Riverside Elementary, Southern Hills Elementary, University Elementary, Vivian Elementary/Middle, and Woodlawn High.
- Cooling towers at Byrd High, Keithville Elementary/Middle, Linwood Middle, and Turner Elementary/Middle. Chiller at Green Oaks High.
- Fire alarms at Northwood High, Oak Park Elementary, and Oak Terrace/J. B. Harville Alternative.
- Parking lots at Bethune Middle, Caddo Heights Elementary, J. S. Clark Middle, Green Oaks High, North Highlands Elementary, and Timmons Elementary.
- Bus loops or drop-offs at Caddo Career and Technology Center, Hillsdale Elementary, Oil City Elementary, Shreve Island Elementary, A. C. Steere Elementary, Summerfield Elementary, and University Elementary.
- Foundation repairs at Creswell Elementary and West Shreveport Elementary.
- Renovations at Laurel Street campus of Bethune Middle Academy.

Long-Term Debt At end of the current fiscal year, the Caddo Parish School Board had total debt outstanding of \$98,707,183. Of the amount, \$91,190,000 comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2006 and 2005:

Outstanding Debt

	<u>Governmental Activities</u>	
	<u>2006</u>	<u>2005</u>
General obligation bonds	\$91,190,000	\$73,090,000
Certificates of indebtedness	4,875,000	5,960,000
Qualified Zone Academy Bond loan payable	2,418,183	2,672,728
Deferred gain on refunding	224,000	280,000
	<u>\$98,707,183</u>	<u>\$82,002,728</u>

Major changes in long-term debt for the 2005-2006 fiscal year include the following:

A net increase of \$18,100,000 in general obligation bonds payable was due to the issuance of \$20,000,000 in bonds in March 2006 offset by scheduled payments for existing bonds.

For additional information regarding capital assets and long-term debt, see notes 5 and 9 to the basic financial statements.

**Caddo Parish School Board
Management's Discussion and Analysis (MD&A)**

Economic Factors and Next Year's Budgets and Rates

The following economic factors were considered when the budget for FY 2006-2007 was presented to the Board:

- Property taxes were projected to remain at the same level as 2005-06.
- Sales Tax revenue was projected to increase by 5.7%
- State Minimum Foundation Funding was budgeted at the same level as 2005-06

Requests for Information

This financial report is designed to provide a general overview of the Caddo Parish School Board's finances for all those with an interest in the Caddo Parish School Board's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Ben Wreyford, Director of Finance, Caddo Parish School Board, P.O. Box 32000, Shreveport, LA 71130-2000, or by calling (318) 603-6355.

BASIC FINANCIAL STATEMENTS:

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

CADDO PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS
June 30, 2006

Statement A

GOVERNMENTAL
ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 127,606,760
Receivables (net)	23,376,473
Inventory	562,684
Prepaid items	2,268
Bond issuance costs, net of accumulated amortization	155,870
Restricted assets:	
Cash and cash equivalents	12,639,924
Receivables	0
Capital assets not being depreciated	
Land	4,654,952
Construction in progress	20,308,308
Capital assets net of accumulated depreciation	
Buildings and equipment	<u>128,601,159</u>
TOTAL ASSETS	<u>317,908,398</u>

LIABILITIES

Accounts payable	12,392,226
Salaries and wages payable	32,495,040
Retainage payable	945,239
Unearned revenue	2,595
Interest payable - bonds	1,605,494
Claims payable	1,418,790
Long-term liabilities:	
Due within one year	13,465,065
Due in more than one year	<u>98,728,691</u>
TOTAL LIABILITIES	<u>161,053,140</u>

NET ASSETS

Invested in capital assets, net of related debt	74,857,236
Restricted net assets for:	
Debt service	6,505,944
Instructional enhancement:	
Expendable	391,354
Nonexpendable	12,639,924
Capital projects	28,148,800
Unrestricted net assets	<u>34,312,000</u>
TOTAL NET ASSETS	<u>\$ 156,855,258</u>

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

CADDO PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2006**

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
<i>Instruction:</i>				
Regular programs	\$ 133,868,600	\$ 0	\$ 14,922,280	\$ (118,946,320)
Special programs	52,109,440	0	3,114,205	(48,995,235)
Other instructional programs	32,585,276	0	17,079,966	(15,485,310)
<i>Support services:</i>				
Student services	15,062,772	0	2,838,966	(12,223,806)
Instructional staff support	21,934,881	0	7,994,046	(13,940,635)
General administration	5,036,008	0	1,676,302	(3,359,706)
School administration	21,875,654	0	12,965	(21,862,689)
Business services	3,513,340	0	39,062	(3,474,278)
Plant services	41,689,040	0	82,491	(41,806,549)
Student transportation services	21,140,140	0	170,156	(20,969,984)
Central services	4,798,741	0	61,014	(4,737,727)
Food services	21,151,331	2,577,202	12,787,340	(5,786,789)
Community service programs	773,619	0	757,129	(16,490)
Interest on long-term debt	4,183,284	0	0	(4,183,284)
Total Governmental Activities	379,701,926	2,577,202	61,535,922	(315,588,802)

General revenues:

Taxes:

Ad valorem taxes levied for general purposes	64,253,803
Ad valorem taxes levied for debt service purposes	8,976,508
Ad valorem taxes levied for capital improvements	13,522,237
Sales taxes levied for salaries, benefits, and general purposes	66,580,568
Grants and contributions not restricted to specific programs	
State revenue sharing	2,355,815
Minimum Foundation Program	175,663,588
Interest and investment earnings	5,289,328
Miscellaneous	5,433,772

Total general revenues 342,075,617

Changes in net assets 26,486,815

Net assets - beginning 130,368,443

Net assets - ending \$ 156,855,258

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

Caddo Parish School Board

BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

CADDO PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2006**

Statement C

	PARISH-WIDE		OTHER	
	GENERAL	CAPITAL PROJECTS	GOVERNMENTAL	TOTAL
ASSETS				
Cash and cash equivalents	\$ 60,150,826	\$ 51,928,198	\$ 15,527,738	\$ 127,606,760
Cash and cash equivalents - restricted	0	0	12,639,924	12,639,924
Receivables	8,212,191	47,877	15,116,405	23,376,473
Interfund receivables	10,606,749	0	0	10,606,749
Inventory	301,276	0	261,408	562,684
Prepaid items	1,770	498	0	2,268
TOTAL ASSETS	<u>79,272,812</u>	<u>51,976,571</u>	<u>43,545,475</u>	<u>174,794,858</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	5,274,887	3,813,211	3,521,739	12,609,837
Salaries and wages payable	27,684,986	14,580	4,795,494	32,495,040
Interfund payables	0	0	10,606,749	10,606,749
Unearned revenue	2,595	0	0	2,595
Total Liabilities	<u>32,962,468</u>	<u>3,827,771</u>	<u>18,923,982</u>	<u>55,714,221</u>
Fund Balances:				
Reserved for:				
Encumbrances	1,405,138	14,794,087	529,482	16,728,707
Debt service	0	0	6,505,944	6,505,944
Inventory	301,276	0	261,408	562,684
Instructional enhancement	0	0	12,639,924	12,639,924
Unreserved:				
Designated for future claims and contingencies	5,917,619	0	807,703	6,725,322
Designated for equipment replacement	853,530	0	2,475,689	3,329,219
Undesignated	37,832,781	33,354,713	0	71,187,494
Undesignated, reported in nonmajor special revenue funds	0	0	1,401,343	1,401,343
Total Fund Balances	<u>46,310,344</u>	<u>48,148,800</u>	<u>24,621,493</u>	<u>119,080,637</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 79,272,812</u>	<u>\$ 51,976,571</u>	<u>\$ 43,545,475</u>	<u>\$ 174,794,858</u>

CADDO PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2006**

Statement D

Total fund balances - governmental funds at June 30, 2006 \$ 119,080,837

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

Costs of capital assets	\$ 292,127,813	
Accumulated depreciation	<u>(138,563,394)</u>	153,564,419

Governmental funds report the effects of debt issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of net assets.

Bond issuance costs	181,241	
Amortization	(25,371)	
Gain on refunding	(280,000)	
Accumulated amortization	<u>56,000</u>	(68,130)

Elimination of interfund assets and liabilities:

Interfund assets	10,606,749	
Interfund liabilities	<u>(10,606,749)</u>	0

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

Balances at June 30, 2006 are:

Long-term liabilities		
Certificates of Indebtedness	(4,875,000)	
Claims and judgments payable	(1,418,790)	
Compensated absences payable	(13,486,573)	
General obligation bonds payable	(91,190,000)	
Loan payable	(2,418,183)	
Interest payable	(1,387,883)	
Retainage payable	<u>(945,239)</u>	(115,721,668)

Net Assets at June 30, 2006 \$ 156,855,258

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

CADDO PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2006**

Statement E

	PARISH-WIDE			TOTAL
	GENERAL	CAPITAL PROJECTS	OTHER GOVERNMENTAL	
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 64,253,803	\$ 13,522,237	\$ 8,976,508	\$ 86,752,548
Sales and use	66,580,568	0	0	66,580,568
Interest earnings	2,499,877	1,952,667	836,784	5,289,328
Food services	0	0	2,577,202	2,577,202
Other	4,204,093	128,896	1,043,492	5,374,481
State sources:				
Equalization	170,849,136	0	4,814,452	175,663,588
Other	5,038,708	365,475	6,536,218	11,940,401
Federal sources	1,203,086	0	50,778,008	51,981,094
Total Revenues	314,629,271	15,967,275	75,562,662	406,159,208
EXPENDITURES				
Current:				
Instruction:				
Regular programs	121,814,228	0	12,472,786	134,287,014
Special programs	49,281,369	0	2,632,087	51,913,456
Other instructional programs	13,938,020	2,202,964	16,413,043	32,554,027
Support services:				
Student services	12,076,718	0	2,986,054	15,062,772
Instructional staff support	13,428,537	0	7,994,053	21,422,590
General administration	2,709,493	390,516	1,860,943	4,960,952
School administration	21,561,044	0	92,664	21,653,708
Business services	3,409,263	257	50,855	3,460,375
Plant services	35,976,959	2,259,338	84,266	38,320,563
Student transportation services	19,010,924	0	170,156	19,181,080
Central services	4,710,480	27,247	61,014	4,798,741
Food services	0	0	20,621,525	20,621,525
Community service programs	16,490	0	757,129	773,619
Capital outlay	0	31,740,322	0	31,740,322
Debt service:				
Principal retirement	1,085,000	254,545	1,900,000	3,239,545
Bond issue costs	0	68,916	0	68,916
Interest and bank charges	199,012	0	3,136,349	3,335,361
Total Expenditures	299,217,537	36,944,105	71,232,924	407,394,566
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES				
	\$ 15,411,734	\$ (20,976,830)	\$ 4,329,738	\$ (1,235,356)

(CONTINUED)

CADDO PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2008**

Statement E

	PARISH-WIDE			
	GENERAL	CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 354,719	\$ 354,719
Transfers out	0	0	(354,719)	(354,719)
Issuance of debt	0	20,000,000	0	20,000,000
Total Other Financing Sources (Uses)	0	20,000,000	0	20,000,000
Net Change in Fund Balances	15,411,734	(976,830)	4,329,738	18,764,642
FUND BALANCES - BEGINNING	30,898,610	49,125,630	20,291,755	100,315,995
FUND BALANCES - ENDING	\$ 46,310,344	\$ 48,148,800	\$ 24,621,493	\$ 119,080,637

(CONCLUDED)

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

CADDO PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2006**

Statement F

Total net change in fund balances - governmental funds \$ 18,764,642

Amounts reported for governmental activities in the Statement of Activities are different because:

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

Capital asset disposals, net	(14,780)	
Capital outlay additions	36,504,806	
Depreciation expense	<u>(10,204,801)</u>	26,285,225

The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction, however, has any effect on net assets.

Repayment of bond principal	3,239,545	
Amortization of deferred gain on refunding	56,000	
Receipt of bond proceeds	<u>(20,000,000)</u>	(16,704,455)

Governmental funds report the effects of debt issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of bond issuance costs	<u>(12,685)</u>	(12,685)
-------------------------------------	-----------------	----------

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

(847,923)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$10,121,804) exceeded the amounts used \$9,820,520 by \$301,284.

(301,284)

Some expenses reported in the Statement of Activities are not matured and, therefore, are not reported as expenditures in governmental funds - claims and judgments and retainage.

(696,705)

Change in net assets of governmental activities.

\$ 26,486,815

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

CADDO PARISH SCHOOL BOARD
FIDUCIARY FUNDS
STATEMENT OF ASSETS AND LIABILITIES
June 30, 2006

Statement G

	<u>AGENCY FUNDS</u>
ASSETS	
Cash and cash equivalents	\$ 3,947,571
Investments	<u>549,062</u>
TOTAL ASSETS	<u>4,496,633</u>
 LIABILITIES	
Accounts payable	1,011
Deposits due others	<u>4,495,622</u>
TOTAL LIABILITIES	<u>\$ 4,496,633</u>

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

**Caddo Parish School Board
Notes to the Basic Financial Statements**

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Caddo Parish School Board
Notes to the Basic Financial Statements

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

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

The School Board operates seventy-three schools within the parish with a total enrollment of 45,152 pupils in the 05-06 school year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

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

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

The funds of the School Board are classified into two categories: governmental and fiduciary.

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

General fund – the primary operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

Parish-Wide Capital Projects fund – used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

Caddo Parish School Board
Notes to the Basic Financial Statements

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

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

Office Concession Agency fund - accounts for monies collected by school board employees working in the central office coffee shop for the purpose of replenishing items sold and maintenance of coffee shop equipment.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The Statement of Net Assets 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. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions. The effect of Interfund Activity has been eliminated from the government-wide financial statements.

Program revenues Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Fund Financial Statements (FFS)

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

Caddo Parish School Board
Notes to the Basic Financial Statements

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

Revenues

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

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

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

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

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

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

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

Fiduciary Funds The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

D. BUDGETS

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

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

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and at the fund level for the special revenue funds.

Caddo Parish School Board
Notes to the Basic Financial Statements

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the School Board intends to honor the purchase orders and commitments, they are reported as reservations of fund balances in the fund financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

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. Legally, the School 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. Amendments to the budget during the year were considered to be significant.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES 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. Short-term interfund loans are classified as interfund receivables/payables.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets 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. Interfund services provided or used are not eliminated in the process of consolidation.

H. INVENTORY Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The School Board maintains a threshold level for capitalization of the following: \$100,000 for buildings and building improvements, \$50,000 for land and land improvements, and \$5,000 for equipment and vehicles. Donated Capital assets are recorded at their estimated fair value at the date of donation.

Caddo Parish School Board
Notes to the Basic Financial Statements

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	25 – 45 years
Land Improvements	10 – 25 years
Building Improvements	10 – 30 years
Furniture and equipment	5 – 20 years
Vehicles	5 – 8 years

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

K. COMPENSATED ABSENCES All 12-month employees earn ten to twenty days of vacation leave each year depending upon length of service. Vacation leave may be accumulated up to one hundred and fifty percent of their annual allotment. Upon termination, employees may be paid for up to thirty days of unused vacation leave.

All School Board employees earn twelve to sixteen days of sick leave each year depending upon length of service. Sick leave may be accumulated without limitation. Upon retirement or death unused accumulated sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees current rate of pay and all unused sick leave is used in the retirement computation as earned service.

Sabbatical leave may be granted for medical reasons and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

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

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

A liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such

Caddo Parish School Board
Notes to the Basic Financial Statements

payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses the latter approach to accrue the liability for sick leave which includes salary-related payments.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

L. LONG-TERM LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

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

Net Assets as of June 30, 2006 that are restricted by enabling legislation include all of the restricted net assets reported in the Statement of Net Assets.

N. FUND BALANCES OF FUND FINANCIAL STATEMENTS Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. The nature and purpose of these reserves are explained as follows:

Encumbrances Encumbrances outstanding at year-end represent the estimated amount the School Board intends to honor as a commitment regardless of the lapse in the appropriation.

Inventory This amount represents the portion of fund balance relating to inventory on hand which is therefore unavailable to be expended for other purposes.

Debt service This amount represents the portion of fund balance that has been reserved in the debt service fund for future payment of principal and interest on bonded debt.

Instructional enhancement This amount represents the portion of fund balance that has been reserved in the Caddo Educational Excellence funds (permanent and special revenue fund).

Designations of fund balance represent tentative management plans that are subject to change. The nature and purpose of these designations are explained as follows:

Future claims and contingencies This amount represents a portion of fund balance that has been designated to fund possible losses from lawsuits and other risks.

Equipment replacement This amount has been accumulated over several years to fund the replacement or updating of data processing equipment and food service related equipment.

**Caddo Parish School Board
Notes to the Basic Financial Statements**

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

P. SALES TAXES The Caddo Parish School Board has the following three sales tax ordinances:

The voters of Caddo Parish approved on June 6, 1967, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 27, 1969, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 4, 1985, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and other School Board employees and for the operation of public schools in Caddo Parish.

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

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Caddo Parish Sheriff's office bills and collects property taxes for the School board. Collections are remitted to the School Board monthly.

	<u>Property Tax Calendar</u>
Levy date	January 01, 2005
Millage rates adopted	August 17, 2005
Tax bills mailed	November 26, 2005
Due date	December 31, 2005
Lien date	January 01, 2006
Tax sales -- 2005 delinquent property	May 17, 2006

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

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2004. Total assessed value was \$1,401,867,050 in calendar year 2005.

**Caddo Parish School Board
Notes to the Basic Financial Statements**

Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$321,918,880 of the assessed value in calendar year 2005.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.00% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, parish-wide capital projects fund, and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2006 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the bulk of 2005 property taxes is collected by the Sheriff in December, January and February.

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

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	Date of Voter Approval	Authorized Millage	Levied Millage	Expiration Date
Parish-wide taxes:				
Constitutional	Statutory	9.41	8.48	n/a
Maintenance and operation	July 20, 2002	18.47	18.47	2013
Operation, Maintenance, and Support	July 20, 2002	12.16	12.16	2014
Employee Salaries & Benefits	October 18, 1997	21.79	19.63	2006
Technology	October 18, 1997	1.50	1.35	2006
Special Building, Repair, & Equipment	July 20, 2002	7.40	7.40	2013
Special Renovations	October 18, 1997	6.17	5.56	2006
Bond and Interest	May 4, 1985 October 18, 1997 and April 17, 2004	Variable	7.60	2029

NOTE 3 - DEPOSITS AND INVESTMENTS

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

Custodial credit risk: At year-end, the School Board's carrying amount of deposits was \$144,743,317 (including time deposits of \$549,062 reported within the \$4,496,633 in fiduciary funds) and the bank balance was \$158,495,130. These deposits are reported as follows: Statement A-cash and cash equivalents, \$127,606,760; Statement A-restricted

Caddo Parish School Board
Notes to the Basic Financial Statements

cash and cash equivalents, \$12,639,924; Statement G-cash and cash equivalents, \$3,947,571, and Statement G-investments, \$549,062. Of the bank balance, \$529,921 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining balance was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3). Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's investment policy does not specifically address custodial credit risk.

NOTE 4 – RECEIVABLES The receivables at June 30, 2006, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Parish-Wide Capital Projects Fund</u>	<u>Other Governmental</u>	<u>Total</u>
Taxes:				
Ad Valorem	\$ 221,986	\$ 47,877	\$ 31,770	\$ 301,633
Sales Tax	6,621,288			6,621,288
Intergovernmental grants:				
Federal	365,492		12,610,714	12,976,206
State	155,404		2,472,011	2,627,415
Other	848,021	0	1,910	849,931
Total	<u>\$ 8,212,191</u>	<u>\$ 47,877</u>	<u>\$ 15,116,405</u>	<u>\$ 23,376,473</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

Caddo Parish School Board
Notes to the Basic Financial Statements

NOTE 5 - CAPITAL ASSETS Capital assets balances and activity for the year ended June 30, 2006 are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Capital assets not being depreciated				
Land	\$ 4,654,952	\$ 0	\$ 0	\$ 4,654,952
Construction in progress	11,787,784	31,303,272	22,782,748	20,308,308
Total capital assets not being depreciated	<u>16,442,736</u>	<u>31,303,272</u>	<u>22,782,748</u>	<u>24,963,260</u>
Capital assets being depreciated				
Buildings & improvements	199,789,869	22,544,292	0	222,334,161
Furniture and equipment	11,966,501	4,560,010	1,132,619	15,393,892
Transportation equipment	28,556,520	879,980	0	29,436,500
Total capital assets being depreciated	<u>240,312,890</u>	<u>27,984,282</u>	<u>1,132,619</u>	<u>267,164,553</u>
Total cost of capital assets	<u>256,755,626</u>	<u>59,287,554</u>	<u>23,915,367</u>	<u>292,127,813</u>
Less accumulated depreciation				
Buildings & improvements	104,834,267	6,051,226	0	110,885,493
Furniture and equipment	7,435,127	2,243,935	1,117,839	8,561,223
Transportation equipment	17,207,038	1,909,640	0	19,116,678
Total accumulated depreciation	<u>129,476,432</u>	<u>10,204,801</u>	<u>1,117,839</u>	<u>138,563,394</u>
Total capital assets being depreciated, net	<u>110,836,458</u>	<u>17,779,481</u>	<u>14,780</u>	<u>128,601,159</u>
Governmental activities				
Capital assets, net	<u>\$127,279,194</u>	<u>\$49,082,753</u>	<u>\$22,797,528</u>	<u>\$153,564,419</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 3,637,462
Special programs	195,984
Other instructional programs	11,249
Instructional staff support	512,091
General administration	5,142
School administration	221,946
Business services	52,965
Plant services	3,079,096
Student transportation services	1,959,060
Food services	529,806
Total depreciation expense	<u>\$ 10,204,801</u>

Caddo Parish School Board
Notes to the Basic Financial Statements

NOTE 6 - RETIREMENT SYSTEMS

The School Board provides retirement, death, and disability benefits to its employees through two pension plans administered by the state of Louisiana. These plans are:

Teachers' Retirement System of Louisiana (TRSL):

Plan Description

Participation in the Teachers' Retirement System of Louisiana is divided into two cost sharing multiple-employer statewide plans -- the Regular Plan and the Plan A. In general, the Regular Plan includes professional employees (such as teachers and principals) and Plan A members consist of lunchroom workers. Benefit provisions are established in accordance with Louisiana state statute. TRSL issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Funding Policy

Covered employees are required to contribute 8% of their salary to the Regular Plan. The School Board was required to contribute 15.9%, 15.5% and 13.8% of covered employees' salaries for the years ended June 2006, 2005, and 2004, respectively. Covered employees are required to contribute 9.1% of their salary to the Plan A.

The employer and employee contribution obligations are established and may be amended by Louisiana state statute. The School Board's contributions for the years ended June 30, 2006, 2005, and 2004 were \$28,437,617, \$27,178,835 and \$26,719,628, respectively, equal to the required contributions for each year. Covered employees salaries were \$189,306,201 and \$186,421,630 for the years ended June 30, 2006 and 2005, respectively. In accordance with GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, the net pension obligation was determined to be zero. Prior to the adoption of GASB Statement No. 27, the School Board did not report a pension liability for the Teachers' Plan.

Deferred Retirement Option Plan

Effective July 1, 1992, the Teachers' Retirement System of Louisiana adopted a Deferred Retirement Option Plan (DROP). Under the DROP, a member is allowed to retire and accumulate his/her retirement benefits in a special reserve fund and yet continue employment and draw a salary. Upon termination of employment at the end of the specified period, the monthly retirement benefits and the amounts paid into the DROP will begin being paid to the retiree.

Louisiana School Employees' Retirement System (School Employees' Plan):

Plan Description

All bus drivers, bus aides, maintenance employees, and custodians are members of this cost-sharing multiple-employer statewide plan. Benefit provisions are established in accordance with Louisiana state statute. The School Employees' Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804-4516.

**Caddo Parish School Board
Notes to the Basic Financial Statements**

Funding Policy

Covered employees were required to contribute 7.5% of their salary to the School Employees' Plan for 2006, 2005, and 2004. The School Board was required to contribute 18.4 % of covered employees' salaries for 2006, 14.8% for 2005 and 6% for 2004. The School Board's contributions were \$3,591,525 and \$2,682,777 for the years ended June 30, 2006 and 2005, respectively. These contributions were made for covered payroll of \$19,524,101 and \$18,127,102 for the years ended June 30, 2006 and 2005, respectively. The employer and employee contribution requirements are established and may be amended by Louisiana state statute. In accordance with GASB Statement No. 27, the net pension obligation was determined to be zero. Prior to adoption of GASB Statement No. 27, the School Board did not report a pension liability for the School Employees' Plan.

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the Foundation Health Plan, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was \$12,230,006 for 3,099 retirees.

NOTE 8 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) A summary of changes in agency fund deposits due others follows:

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
School Activities Fund	\$ 3,935,227	\$ 9,951,145	\$ 9,390,750	\$ 4,495,622

NOTE 9 - LONG-TERM LIABILITIES The School Board has issued the following types of long-term liabilities, all which pertain to the School Board's governmental activities.

General Obligation debt: The School Board issues general obligation bonds to provide funds for the acquisition of land for schools, to build new facilities and to improve capital assets. General obligation bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds generally are issued as 20- or 25-year serial bonds with varying amounts of principal maturing each year. The original amount of general obligation bonds issued in prior years was \$107,115,000. In March 2006, the School Board issued \$20,000,000 in 25-year term bonds.

Certificates of Indebtedness: The School Board also borrows funds to acquire school buses. The original amount of the certificate of indebtedness was \$6,000,000. A certificate of indebtedness is a debt instrument authorized by the School Board, which is backed by the full faith and credit of the School Board. This obligation has been issued with a ten-year term with varying amounts maturing each year.

Qualified Academy Zone Bond: The School Board has also borrowed funds through this special interest-free loan program sponsored by the U.S. government. The purposes of the bonds are to fund lighting retrofit programs and to install air-conditioning in school cafeterias.

Caddo Parish School Board
Notes to the Basic Financial Statements

Summary of Transactions and Balances: The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2006:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Bonds payable:					
General Obligation debt	\$ 73,090,000	\$ 20,000,000	\$ 1,900,000	\$ 91,190,000	\$ 2,765,000
Deferred gain on refunding	280,000		56,000	224,000	
Certificates of Indebtedness	5,960,000		1,085,000	4,875,000	625,000
Qualified Zone Academy bond	2,672,728		254,545	2,418,183	254,545
Other liabilities:					
Compensated absences	13,185,289	10,121,804	9,820,520	13,486,573	9,820,520
Claims & judgements payable	1,011,466	1,787,015	1,379,691	1,418,790	1,418,790
Total	<u>\$ 96,199,483</u>	<u>\$ 31,908,819</u>	<u>\$ 14,495,756</u>	<u>\$ 113,612,546</u>	<u>\$ 14,883,855</u>

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service fund. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 92.9% was paid by the general fund and the remaining 7.1% by other governmental funds. Claims and judgments payable have typically been liquidated by the general fund.

The individual bond issues are as follows:

	Original Amount	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
General Obligation Bonds:					
Series 1998	\$ 20,000,000	5.00 to 5.35%	3/1/2018	\$ 137,250	\$ 1,815,000
Series 2000	20,000,000	5.10 to 9.00%	3/1/2020	446,340	3,430,000
Series 2001	8,000,000	4.05 to 5.50%	3/1/2021	2,996,975	6,850,000
Series 2004	14,000,000	3.65 to 5.00%	3/1/2029	9,548,686	14,000,000
Series 2005	20,000,000	3.65 to 5.00%	3/1/2030	12,856,610	20,000,000
Series 2006	20,000,000	3.75 to 5.75%	3/1/2031	13,948,650	20,000,000
Refunding Series					
2005 Bonds	12,405,000	3.00 to 5.00%	3/1/2018	4,547,438	12,390,000
Refunding Series					
2005A Bonds	12,710,000	3.00 to 5.25%	3/1/2020	6,373,150	12,705,000
Certificate of Indebtedness					
Series 2003A	6,000,000	3.00 to 4.00%	3/1/2013	770,025	4,875,000
QZAB	3,500,000	n/a	11/1/2015	n/a	2,418,183
				<u>\$ 51,625,124</u>	<u>\$ 98,483,183</u>

Caddo Parish School Board
Notes to the Basic Financial Statements

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2006, the School Board had accumulated \$6,505,944 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	General Obligation Bonds		Certificate of Indebtedness		QZAB Loan	TOTAL	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments	Principal Payments	Principal Payments	Interest Payments
2007	\$ 2,765,000	\$ 4,211,866	\$ 625,000	\$ 168,923	\$ 254,545	\$ 3,644,545	\$ 4,380,789
2008	3,345,000	4,070,386	650,000	155,235	254,545	4,249,545	4,225,621
2009	3,515,000	3,902,098	670,000	137,945	254,545	4,439,545	4,040,043
2010	3,695,000	3,741,344	695,000	117,042	254,545	4,644,545	3,858,386
2011	3,875,000	3,564,607	720,000	92,508	254,545	4,849,545	3,657,115
2012-2016	22,645,000	15,010,821	1,515,000	98,373	1,145,458	25,305,458	15,109,194
2017-2021	22,665,000	9,288,870	0	0	0	22,665,000	9,288,870
2022-2026	14,095,000	5,275,733	0	0	0	14,095,000	5,275,733
2027-2031	14,590,000	1,789,373	0	0	0	14,590,000	1,789,373
Total	\$91,190,000	\$50,855,098	\$4,875,000	\$ 770,026	\$ 2,418,183	\$98,483,183	\$51,625,124

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 25 percent of the assessed value of taxable property. At June 30, 2005, the statutory limit is \$350,466,763 and outstanding net bonded debt totals \$84,684,056.

NOTE 10 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY) The composition of interfund balances as of June 30, 2006, is as follows:

Interfund Receivables/Payables:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	<u>\$ 10,606,749</u>	Other Governmental	<u>\$ 10,606,749</u>

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the payments between funds are made.

NOTE 11 - INTERFUND TRANSFERS (FFS LEVEL ONLY) Transfers for the year ended June 30, 2006, were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfers Out</u>
Other Governmental	\$ 354,719	\$ 0
Other Governmental	0	354,719
Totals	<u>\$ 354,719</u>	<u>\$ 354,719</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

Caddo Parish School Board
Notes to the Basic Financial Statements

NOTE 12 - ENCUMBRANCES (FFS LEVEL ONLY) Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2006, the School Board had entered into purchase orders and commitments as follows:

	<u>General</u>	<u>Parish-wide Capital Projects</u>	<u>Other Governmental</u>	<u>Total</u>
Total	\$1,405,138	\$14,794,087	\$529,482	\$16,728,707

NOTE 13 - RISK MANAGEMENT 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. The School Board is a defendant in several lawsuits involving civil action. The School Board's insurance coverage is substantially equal to the prior fiscal year, and is self-insured for losses up to \$500,000. All risk management activities are reported in the general fund.

The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$500,000 per occurrence for each employee. 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.

Changes in the claims amount in previous fiscal years were as follows:

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>Ending of Fiscal Year Liability</u>
2004	401,250	1,210,343	1,211,368	400,225
2005	400,225	1,073,954	1,162,713	311,466
2006	311,466	1,787,015	1,379,691	718,790

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 14 - LITIGATION AND CLAIMS

Litigation At June 30, 2006, the School Board is involved in various litigation. A claims liability for \$700,000 is included in claims payable in the government wide financial statements.

Construction Projects There are certain major construction projects in progress at June 30, 2006. These include roofing projects at 16 schools and canopies, lighting retrofits, air conditioning, cooling towers, fire alarms, parking lots, bus loops, foundation repairs and renovations at various schools in the parish. Construction in progress on these various projects at June 30, 2006 was \$20,308,308. The expected completion date is prior to June 30, 2007. These projects are funded by bond issuance proceeds and property tax receipts. The outstanding construction commitment at June 30, 2006 was \$14,794,087.

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

Caddo Parish School Board
Notes to the Basic Financial Statements

for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

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

Federal Arbitrage Regulations The School Board's bonded indebtedness is subject to the Internal Revenue Code's provisions applicable to arbitrage earnings. In government finance, these earnings result from the temporary investment of the proceeds of a government entity's tax exempt securities in materially higher yielding taxable securities.

NOTE 15 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$956,125. This amount was recognized as revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 16 - SUBSEQUENT EVENTS Bids were awarded on September 19, 2006 for purchase of 10 school buses (\$761,477) and a mainframe computer with five years maintenance (\$1,300,116). All salary schedules increased 5% across the board effective July 1, 2006.

NOTE 17 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$175,663,588 to the School Board, which represents approximately 44% of the School Board's total revenues for the year.

NOTE 18 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures over appropriations in individual funds. The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2006:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
8(g) State Fund (1)	\$ 1,175,647	\$ 1,215,458	\$ 39,811
Hurricane Education Recovery (2)	4,405,555	5,991,164	1,585,609
Adult Education (1)	550,116	551,496	1,380
Child Nutrition Program	19,654,000	20,622,804	968,804

(1) These two funds are on a cost reimbursement basis and the federal revenue increased the same amount as the cost increased.

(2) This fund was a grant received to cover the costs of educating students displaced by Hurricanes Katrina and Rita. The amount of the grant was not known until late August 2006 after the last budget revision.

Caddo Parish School Board

**REQUIRED SUPPLEMENTAL
INFORMATION**

Caddo Parish School Board

Budgetary Comparison Schedule

Funds With a Legally Adopted Annual Budget

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

CADDO PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2006**

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 12,800,000	\$ 17,782,534	\$ 30,896,610	\$ 13,116,076
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	60,804,900	63,384,900	64,253,803	868,903
Sales and use	58,500,000	60,500,000	66,580,568	6,080,568
Interest earnings	550,000	2,000,000	2,499,877	499,877
Other	1,810,000	3,560,000	4,204,093	644,093
State sources:				
Equalization	167,465,918	170,848,329	170,849,136	807
Other	3,032,800	5,024,774	5,038,708	13,934
Federal sources	2,587,600	2,587,600	1,203,086	(1,384,514)
Transfers from other funds	0	0	0	0
Amounts available for appropriations	<u>307,551,218</u>	<u>325,688,137</u>	<u>345,527,881</u>	<u>\$ 19,839,744</u>
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	132,638,920	124,508,210	121,814,228	\$ 2,693,982
Special programs	51,807,900	52,606,600	49,281,369	3,325,231
Other instructional programs	5,377,300	15,043,510	13,938,020	1,105,490
Support services:				
Student services	12,001,600	12,128,000	12,076,718	51,282
Instructional staff support	12,861,930	13,259,330	13,428,537	(169,207)
General administration	4,256,800	4,324,200	2,709,493	1,614,707
School administration	21,806,500	22,094,100	21,561,044	533,056
Business services	3,383,000	3,440,400	3,409,263	31,137
Plant services	33,036,750	34,763,550	35,976,959	(1,213,409)
Student transportation services	18,185,500	19,223,000	19,010,924	212,076
Central services	4,861,650	4,917,350	4,710,480	206,870
Community service programs	0	0	16,490	(16,490)
Debt service:				
Principal retirement	1,085,000	1,085,000	1,085,000	0
Interest and bank charges	199,013	199,013	199,012	1
Total charges to appropriations	<u>301,501,863</u>	<u>307,592,263</u>	<u>299,217,537</u>	<u>\$ 8,374,726</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 6,049,355</u>	<u>\$ 18,095,874</u>	<u>\$ 46,310,344</u>	<u>\$ 28,214,470</u>

Caddo Parish School Board

Notes to the Budgetary Comparison Schedules For the Year Ended June 30, 2006

Note A - BUDGETS

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

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

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

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and at the fund level for the special revenue funds.

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 passed during the year were to increase the amount available for appropriations by \$28.7 million. Total charges to appropriations was increased by \$2.0 million.

CADDO PARISH SCHOOL BOARD

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2006

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

	<u>GENERAL FUND</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 345,527,881
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	<u>(30,898,610)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 314,629,271</u>

SUPPLEMENTAL INFORMATION

CADDO PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2008

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	PERMANENT FUND - CEEF	TOTAL
ASSETS				
Cash and cash equivalents	\$ 9,053,564	\$ 6,474,174	\$ 0	\$ 15,527,738
Cash and cash equivalents - restricted	0	0	12,639,924	12,639,924
Receivables	15,084,635	31,770	0	15,116,405
Inventory	261,408	0	0	261,408
TOTAL ASSETS	24,399,607	6,505,944	12,639,924	43,545,475
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	3,521,739	0	0	3,521,739
Salaries and wages payable	4,795,494	0	0	4,795,494
Interfund payables	10,606,749	0	0	10,606,749
Total Liabilities	18,923,982	0	0	18,923,982
Fund Balances:				
Reserved for:				
Encumbrances	529,482	0	0	529,482
Debt service	0	6,505,944	0	6,505,944
Inventory	261,408	0	0	261,408
Instructional enhancement	0	0	12,639,924	12,639,924
Unreserved, reported in				
Designated for future claims and contingencies	807,703	0	0	807,703
Designated for equipment replacement	2,475,689	0	0	2,475,689
Undesignated	1,401,343	0	0	1,401,343
Total Fund Balances	5,475,825	6,505,944	12,639,924	24,621,493
TOTAL LIABILITIES AND FUND BALANCES	\$ 24,399,607	\$ 6,505,944	\$ 12,639,924	\$ 43,545,475

CADDO PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2006

Exhibit 3

	<u>SPECIAL</u>	<u>DEBT</u>	<u>PERMANENT</u>	
	<u>REVENUE</u>	<u>SERVICE</u>	<u>FUND -</u>	<u>TOTAL</u>
			<u>CEEF</u>	
REVENUES				
Local sources:				
Ad valorem taxes	\$ 0	\$ 8,976,506	\$ 0	\$ 8,976,506
Interest earnings	198,176	253,441	385,167	836,784
Food services	2,577,202	0	0	2,577,202
Other	4,494	23,692	1,015,306	1,043,492
State sources:				
Equalization	4,814,452	0	0	4,814,452
Other	6,536,218	0	0	6,536,218
Federal sources				
	<u>50,778,008</u>	<u>0</u>	<u>0</u>	<u>50,778,008</u>
 Total Revenues	 <u>64,908,550</u>	 <u>9,253,639</u>	 <u>1,400,473</u>	 <u>75,562,662</u>
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	12,472,786	0	0	12,472,786
Special programs	2,632,087	0	0	2,632,087
Other instructional programs	16,413,043	0	0	16,413,043
Support services:				
Student services	2,986,054	0	0	2,986,054
Instructional staff support	7,994,053	0	0	7,994,053
General administration	1,891,562	169,381	0	1,860,943
School administration	92,664	0	0	92,664
Business services	50,662	0	193	50,855
Plant services	84,266	0	0	84,266
Student transportation services	170,156	0	0	170,156
Central services	61,014	0	0	61,014
Food services	20,821,525	0	0	20,821,525
Community service programs	757,129	0	0	757,129
Capital outlay	0	0	0	0
Debt service:				
Principal retirement	0	1,900,000	0	1,900,000
Interest and bank charges	0	3,136,349	0	3,136,349
 Total Expenditures	 <u>66,027,001</u>	 <u>5,205,730</u>	 <u>193</u>	 <u>71,232,924</u>
 EXCESS (Deficiency) OF				
REVENUES OVER (Under)				
EXPENDITURES	<u>\$ (1,118,451)</u>	<u>\$ 4,047,909</u>	<u>\$ 1,400,280</u>	<u>\$ 4,329,738</u>

CADDO PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2006**

Exhibit 3

	<u>SPECIAL</u>	<u>DEBT</u>	<u>PERMANENT</u>	
	<u>REVENUE</u>	<u>SERVICE</u>	<u>FUND -</u>	<u>TOTAL</u>
			<u>CEEF</u>	
OTHER FINANCING SOURCES				
(USES)				
Transfers in	\$ 354,719	\$ 0	\$ 0	\$ 354,719
Transfers out	<u>0</u>	<u>0</u>	<u>(354,719)</u>	<u>(354,719)</u>
 Total Other Financing Sources (Uses)	 <u>354,719</u>	 <u>0</u>	 <u>(354,719)</u>	 <u>0</u>
 Net Change in Fund Balances	 (763,732)	 4,047,909	 1,045,561	 4,329,738
 FUND BALANCES - BEGINNING	 <u>6,239,357</u>	 <u>2,458,035</u>	 <u>11,594,363</u>	 <u>20,291,755</u>
 FUND BALANCES - ENDING	 <u>\$ 5,475,625</u>	 <u>\$ 6,505,944</u>	 <u>\$ 12,639,924</u>	 <u>\$ 24,621,493</u>

(CONCLUDED)

Caddo Parish School Board

Nonmajor Special Revenue Funds

TANF Provides assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their own welfare programs.

Special Education

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

Payments to States for Child Care Assistance To make grants available to assist low-income families with child care services. The purpose of the program is to increase the availability, affordability, and quality of child care and to increase the availability of early childhood development and before- and after-school programs.

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

Title I To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. This fund is primarily used for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

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

Title XIX This fund is a federally funded program to improve the health status of children by providing preventive services, health assessments, and the necessary diagnosis, treatment and follow-up care in the context of an ongoing relationship between the patient and other health care providers.

Title III To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

Title IV (Drug-Free) To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

Title V To assist state and local educational agencies in the reform of elementary and secondary education.

Family Support Family Support was established to account for the receipts and expenditures of a federally funded program to provide educational services to participate in Project Independence. These educational services include training needy mothers with job skills while providing day-care for their children.

8g State Fund The 8g state fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

Hurricane Education Recovery To provide funds to assist with the cost of educating students displaced by Hurricanes Katrina and Rita during school year 2005-2006.

Caddo Parish School Board

Nonmajor Special Revenue Funds

Adult Education To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship. Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

Vocational Education To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

WIA To provide job training and related assistance to economically disadvantaged individuals and others who face significant employment barriers. The ultimate goal of the Act is to move trainees into permanent, self-sustaining employment.

Homeless This fund is designed to ensure that homeless children and youth have access to a free, appropriate public education.

Child Nutrition Program This program was designed to assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Misc State/Federal Grants This fund is used to account for various small state and federal grants for which the expenditures are legally restricted to specified purposes.

Tobacco Settlement This fund was established to account for monies received from the state Education Excellence Fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

CEEF Operating This fund was established to account for the expenditures of the earnings from the Caddo Educational Excellence Permanent Fund.

CADDO PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2006**

	SPECIAL				
	<u>TANF</u>	<u>EDUCATION</u>	<u>TITLE I</u>	<u>TITLE II</u>	<u>TITLE XIX</u>
ASSETS					
Cash and cash equivalents	\$ 912	\$ 177,260	\$ 707,999	\$ 145,423	\$ 396,749
Receivables	87,993	2,038,741	4,738,618	910,713	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>88,905</u>	<u>2,216,001</u>	<u>5,446,617</u>	<u>1,056,136</u>	<u>396,749</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	19,428	188,915	323,659	66,598	0
Salaries and wages payable	477	440,556	1,624,972	297,240	36,017
Interfund payables	<u>69,000</u>	<u>1,586,530</u>	<u>3,497,986</u>	<u>692,298</u>	<u>0</u>
Total Liabilities	<u>88,905</u>	<u>2,216,001</u>	<u>5,446,617</u>	<u>1,056,136</u>	<u>36,017</u>
Fund Balances:					
Reserved for:					
Encumbrances	0	0	0	0	0
Inventory	0	0	0	0	0
Unreserved					
Designated for future claims and contingencies	0	0	0	0	0
Designated for equipment replacement	0	0	0	0	0
Undesignated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>360,732</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>360,732</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 88,905</u>	<u>\$ 2,216,001</u>	<u>\$ 5,446,617</u>	<u>\$ 1,056,136</u>	<u>\$ 396,749</u>

Exhibit 4

TITLE III	TITLE IV (DRUG-FREE)	TITLE V	FAMILY SUPPORT	8(g) STATE FUND	HURRICANE EDUCATION RECOVERY
\$ 892	\$ 41,037	\$ 3,322	\$ 16,923	\$ 60,502	\$ 5,764
23,901	102,086	6,880	0	288,253	2,628,585
0	0	0	0	0	0
<u>24,793</u>	<u>143,123</u>	<u>10,202</u>	<u>16,923</u>	<u>348,755</u>	<u>2,634,349</u>
467	2,000	387	0	9,016	1,699,188
1,421	35,074	0	0	93,913	0
<u>22,905</u>	<u>106,049</u>	<u>9,815</u>	<u>0</u>	<u>245,826</u>	<u>935,161</u>
<u>24,793</u>	<u>143,123</u>	<u>10,202</u>	<u>0</u>	<u>348,755</u>	<u>2,634,349</u>
0	0	0	2,786	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>14,137</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>16,923</u>	<u>0</u>	<u>0</u>
\$ <u>24,793</u>	\$ <u>143,123</u>	\$ <u>10,202</u>	\$ <u>16,923</u>	\$ <u>348,755</u>	\$ <u>2,634,349</u>

(CONTINUED)

CADDO PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2006**

	<u>ADULT</u> <u>EDUCATION</u>	<u>VOCATIONAL</u> <u>EDUCATION</u>	<u>WIA</u>	<u>HOMELESS</u>
ASSETS				
Cash and cash equivalents	\$ 59,398	\$ 342,587	\$ 889	\$ 9,331
Receivables	186,378	248,973	36,282	62,413
Inventory	0	0	0	0
Total Assets	<u>245,776</u>	<u>591,540</u>	<u>37,171</u>	<u>71,744</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	3,702	0	0	3,780
Salaries and wages payable	58,108	11,032	3,647	9,885
Interfund payables	183,966	580,508	33,524	58,079
Total Liabilities	<u>245,776</u>	<u>591,540</u>	<u>37,171</u>	<u>71,744</u>
Fund Balances:				
Reserved for:				
Encumbrances	0	0	0	0
Inventory	0	0	0	0
Unreserved				
Designated for future claims and contingencies	0	0	0	0
Designated for equipment replacement	0	0	0	0
Undesignated	0	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 245,776</u>	<u>\$ 591,540</u>	<u>\$ 37,171</u>	<u>\$ 71,744</u>

Exhibit 4

CHILD NUTRITION PROGRAM	MISC STATE/FEDERAL GRANTS	TOBACCO SETTLEMENT	CEEF OPERATING	TOTAL
\$ 5,587,092	\$ 235,543	\$ 870,607	\$ 391,354	\$ 9,053,564
36,716	3,688,103	0	0	15,084,635
<u>261,408</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>261,408</u>
<u>5,885,216</u>	<u>3,923,646</u>	<u>870,607</u>	<u>391,354</u>	<u>24,399,607</u>
191,620	1,012,979	0	0	3,521,739
1,621,640	327,270	234,242	0	4,795,494
<u>1,710</u>	<u>2,583,392</u>	<u>0</u>	<u>0</u>	<u>10,606,749</u>
<u>1,814,970</u>	<u>3,923,641</u>	<u>234,242</u>	<u>0</u>	<u>18,923,982</u>
525,446	0	0	1,250	529,482
261,408	0	0	0	261,408
807,703	0	0	0	807,703
2,475,689	0	0	0	2,475,689
<u>0</u>	<u>5</u>	<u>636,365</u>	<u>390,104</u>	<u>1,401,343</u>
<u>4,070,246</u>	<u>5</u>	<u>636,365</u>	<u>391,354</u>	<u>5,475,625</u>
\$ <u>5,885,216</u>	\$ <u>3,923,646</u>	\$ <u>870,607</u>	\$ <u>391,354</u>	\$ <u>24,399,607</u>

(CONCLUDED)

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2006

	SPECIAL				
	<u>TANF</u>	<u>EDUCATION</u>	<u>TITLE I</u>	<u>TITLE II</u>	<u>TITLE XIX</u>
REVENUES					
Local sources:					
Interest earnings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Food services	0	0	0	0	0
Other	0	0	0	0	0
State sources:					
Equalization	0	0	0	0	0
Other	0	171,289	0	0	0
Federal sources	<u>280,121</u>	<u>7,716,742</u>	<u>16,114,468</u>	<u>2,989,806</u>	<u>107,223</u>
 Total Revenues	 <u>280,121</u>	 <u>7,888,031</u>	 <u>16,114,468</u>	 <u>2,989,806</u>	 <u>107,223</u>
 EXPENDITURES					
Current:					
Instruction:					
Regular programs	252,969	1,072	265	1,527,692	0
Special programs	0	2,103,337	0	0	0
Other instructional programs	0	260,413	11,136,442	0	0
Support services:					
Student services	0	2,078,383	297,607	0	254,311
Instructional staff support	3,282	2,796,340	2,943,297	1,295,620	0
General administration	0	423,185	897,642	166,494	15,260
School administration	0	288	0	0	0
Business services	0	11,938	37,898	0	0
Plant services	0	78,026	4,465	0	1,775
Student transportation services	23,870	101,763	11,995	0	0
Central services	0	33,286	27,728	0	0
Food services	0	0	0	0	0
Community service programs	0	0	757,129	0	0
Capital outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>280,121</u>	 <u>7,888,031</u>	 <u>16,114,468</u>	 <u>2,989,806</u>	 <u>271,346</u>
 EXCESS (Deficiency) OF REVENUES					
OVER (Under) EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>(164,123)</u>

Exhibit 5

TITLE III	TITLE IV (DRUG-FREE)	TITLE V	FAMILY SUPPORT	8(g) STATE FUND	HURRICANE EDUCATION RECOVERY
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	1,215,458	0
<u>44,198</u>	<u>426,854</u>	<u>64,338</u>	<u>0</u>	<u>0</u>	<u>5,991,164</u>
<u>44,198</u>	<u>426,854</u>	<u>64,338</u>	<u>0</u>	<u>1,215,458</u>	<u>5,991,164</u>
0	0	1	0	746,770	5,450,853
0	0	0	0	0	528,750
43,007	62,733	60,800	46,231	368,390	0
0	355,753	0	0	0	0
148	0	0	0	100,148	0
1,043	8,368	3,537	0	0	11,561
0	0	0	665	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	150	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>44,198</u>	<u>426,854</u>	<u>64,338</u>	<u>46,896</u>	<u>1,215,458</u>	<u>5,991,164</u>
\$ 0	\$ 0	\$ 0	\$ (46,896)	\$ 0	\$ 0

(CONTINUED)

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2006

	<u>TANF</u>	<u>SPECIAL EDUCATION</u>	<u>TITLE I</u>	<u>TITLE II</u>	<u>TITLE XIX</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0	0
Transfers out	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balances	0	0	0	0	(164,123)
FUND BALANCES - BEGINNING OF YEAR	0	0	0	0	524,855
FUND BALANCES - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	360,732

Exhibit 5

TITLE III	TITLE IV (DRUG-FREE)	TITLE V	FAMILY SUPPORT	8(g) STATE FUND	HURRICANE EDUCATION RECOVERY
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	(46,896)	0	0
0	0	0	63,819	0	0
\$ 0	\$ 0	\$ 0	18,923	\$ 0	\$ 0

(CONTINUED)

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2008

	<u>ADULT</u> <u>EDUCATION</u>	<u>VOCATIONAL</u> <u>EDUCATION</u>	<u>WIA</u>	<u>HOMELESS</u>
REVENUES				
Local sources:				
Interest earnings	\$ 0	\$ 0	\$ 0	\$ 0
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	150,724	0	0	0
Federal sources	<u>400,772</u>	<u>859,522</u>	<u>36,282</u>	<u>236,502</u>
 Total Revenues	 <u>551,496</u>	 <u>859,522</u>	 <u>36,282</u>	 <u>236,502</u>
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	280	0	0	0
Special programs	0	0	0	0
Other instructional programs	534,459	859,522	33,649	33,995
Support services:				
Student services	0	0	0	0
Instructional staff support	0	0	0	171,350
General administration	16,757	0	0	12,452
School administration	0	0	2,633	10,005
Business services	0	0	0	0
Plant services	0	0	0	0
Student transportation services	0	0	0	8,700
Central services	0	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>551,496</u>	 <u>859,522</u>	 <u>36,282</u>	 <u>236,502</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

Exhibit 5

CHILD NUTRITION PROGRAM	MISC STATE/FEDERAL GRANTS	TOBACCO SETTLEMENT	CEEF OPERATING	TOTAL
\$ 198,176	0 \$	0 \$	0 \$	198,176
2,577,202	0	0	0	2,577,202
4,494	0	0	0	4,494
4,814,452	0	0	0	4,814,452
0	3,548,484	1,450,263	0	6,536,218
<u>12,788,257</u>	<u>2,721,759</u>	<u>0</u>	<u>0</u>	<u>50,778,008</u>
<u>20,382,581</u>	<u>6,270,243</u>	<u>1,450,263</u>	<u>0</u>	<u>64,908,550</u>
0	2,987,464	1,287,115	218,305	12,472,786
0	0	0	0	2,632,087
0	2,440,386	533,016	0	16,413,043
0	0	0	0	2,986,054
817	683,044	7	0	7,994,053
100	135,183	0	0	1,691,562
0	39	79,034	0	92,664
362	464	0	0	50,862
0	0	0	0	84,266
0	23,678	0	0	170,156
0	0	0	0	61,014
20,621,525	0	0	0	20,621,525
0	0	0	0	757,129
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>20,622,804</u>	<u>6,270,238</u>	<u>1,899,172</u>	<u>218,305</u>	<u>66,027,001</u>
\$ (240,223)	\$ 5	\$ (448,909)	\$ (218,305)	\$ (1,118,451)

(CONTINUED)

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2006

	<u>ADULT</u> <u>EDUCATION</u>	<u>VOCATIONAL</u> <u>EDUCATION</u>	<u>WIA</u>	<u>HOMELESS</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	0	0	0	0
FUND BALANCES - BEGINNING OF YEAR	0	0	0	0
FUND BALANCES - END OF YEAR	\$ 0	\$ 0	\$ 0	0

Exhibit 5

CHILD NUTRITION PROGRAM	MISC STATE/FEDERAL GRANTS	TOBACCO SETTLEMENT	CEEF OPERATING	TOTAL
\$ 0	\$ 0	\$ 0	\$ 354,719	\$ 354,719
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	354,719	354,719
(240,223)	5	(448,909)	136,414	(763,732)
<u>4,310,469</u>	<u>\$ 0</u>	<u>1,085,274</u>	<u>254,940</u>	<u>6,239,357</u>
<u>\$ 4,070,246</u>	<u>\$ 5</u>	<u>\$ 636,365</u>	<u>\$ 391,354</u>	<u>\$ 5,475,625</u>

(CONCLUDED)

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-1

	*****TANF*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 480,350	\$ 280,121	\$ (200,229)
 Total Revenues	<u>480,350</u>	<u>280,121</u>	<u>(200,229)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	467,925	256,251	211,674
Student transportation services	<u>12,425</u>	<u>23,870</u>	<u>(11,445)</u>
 Total Expenditures	<u>480,350</u>	<u>280,121</u>	<u>200,229</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes In Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006**

Exhibit 6-2

	*****SPECIAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
State sources:			
Other	\$ 171,336	\$ 171,289	(47)
Federal sources	<u>10,119,140</u>	<u>7,716,742</u>	<u>(2,402,398)</u>
 Total Revenues	 <u>10,290,476</u>	 <u>7,888,031</u>	 <u>(2,402,445)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	9,556,943	7,239,545	2,317,398
General administration	563,823	423,185	140,638
School administration	188	288	(100)
Business services	4	11,938	(11,934)
Plant services	70,897	78,026	(7,129)
Student transportation services	77,348	101,763	(24,415)
Central services	<u>21,273</u>	<u>33,286</u>	<u>(12,013)</u>
 Total Expenditures	 <u>10,290,476</u>	 <u>7,888,031</u>	 <u>2,402,445</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCE - BEGINNING OF YEAR	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCE - END OF YEAR	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-3

	*****TITLE I*****		VARIANCE
	BUDGET	ACTUAL	FAVORABLE
			(UNFAVORABLE)
REVENUES			
Federal sources	\$ 19,715,376	\$ 16,114,468	\$ (3,600,908)
Total Revenues	<u>19,715,376</u>	<u>16,114,468</u>	<u>(3,600,908)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	18,423,630	14,377,611	4,046,019
General administration	1,103,423	897,642	205,781
Business services	11,125	37,898	(26,773)
Plant services	0	4,465	(4,465)
Student transportation services	11,995	11,995	0
Central services	25,850	27,728	(1,878)
Community service programs	<u>139,353</u>	<u>757,129</u>	<u>(617,776)</u>
Total Expenditures	<u>19,715,376</u>	<u>16,114,468</u>	<u>3,600,908</u>
EXCESS (Deficiency) OF REVENUES			
OVER EXPENDITURES	0	0	0
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006**

Exhibit 6-4

	*****TITLE II*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 8,112,814	\$ 2,989,806	\$ (5,123,008)
 Total Revenues	<u>8,112,814</u>	<u>2,989,806</u>	<u>(5,123,008)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	7,666,405	2,823,312	4,843,093
General administration	<u>446,409</u>	<u>166,494</u>	<u>279,915</u>
 Total Expenditures	<u>8,112,814</u>	<u>2,989,806</u>	<u>5,123,008</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-5

	*****TITLE XIX*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 513,076	\$ 107,223	\$ (405,853)
 Total Revenues	<u>513,076</u>	<u>107,223</u>	<u>(405,853)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	482,446	254,311	228,135
General administration	28,855	15,260	13,595
Plant services	<u>1,775</u>	<u>1,775</u>	<u>0</u>
 Total Expenditures	<u>513,076</u>	<u>271,346</u>	<u>241,730</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	(164,123)	(164,123)
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>524,855</u>	<u>524,855</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 360,732</u>	<u>\$ 360,732</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-8

	*****TITLE III*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources:	\$ 104,956	\$ 44,198	\$ (60,758)
 Total Revenues	<u>104,956</u>	<u>44,198</u>	<u>(60,758)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	103,100	43,155	59,945
General administration	<u>1,856</u>	<u>1,043</u>	<u>813</u>
 Total Expenditures	<u>104,956</u>	<u>44,198</u>	<u>60,758</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

CADDO PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes In Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006**

Exhibit 6-7

	*****TITLE IV (DRUG-FREE)*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 606,985	\$ 426,854	\$ (180,131)
 Total Revenues	<u>606,985</u>	<u>426,854</u>	<u>(180,131)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	595,986	418,486	177,500
General administration	<u>10,899</u>	<u>8,368</u>	<u>2,631</u>
 Total Expenditures	<u>606,985</u>	<u>426,854</u>	<u>180,131</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes In Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-8

	*****TITLE V*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 387,600	\$ 64,338	\$ (323,262)
 Total Revenues	<u>387,600</u>	<u>64,338</u>	<u>(323,262)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	386,719	60,801	305,918
General administration	<u>20,881</u>	<u>3,537</u>	<u>17,344</u>
 Total Expenditures	<u>387,600</u>	<u>64,338</u>	<u>323,262</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2006

Exhibit 6-9

	*****FAMILY SUPPORT*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	49,225	0	(49,225)
Total Revenues	49,225	0	(49,225)
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	49,225	46,231	2,994
School administration	0	665	(665)
Total Expenditures	49,225	46,896	2,329
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	(46,896)	(46,896)
FUND BALANCE - BEGINNING OF YEAR	0	63,819	63,819
FUND BALANCE - END OF YEAR	\$ 0	\$ 16,923	\$ 16,923

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2006

Exhibit 6-10

	*****8(g) STATE FUND*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources:			
Other	\$ 1,175,647	\$ 1,215,458	\$ 39,811
Total Revenues	<u>1,175,647</u>	<u>1,215,458</u>	<u>39,811</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	1,175,647	1,215,308	(39,661)
Student transportation services	<u>0</u>	<u>150</u>	<u>(150)</u>
Total Expenditures	<u>1,175,647</u>	<u>1,215,458</u>	<u>(39,811)</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes In Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-11

	*****HURRICANE EDUCATION RECOVERY*****		
			VARIANCE
	BUDGET	ACTUAL	FAVORABLE
	_____	_____	(UNFAVORABLE)
REVENUES			
Federal sources	\$ 4,405,555	\$ 5,991,164	\$ 1,585,609
	_____	_____	_____
Total Revenues	4,405,555	5,991,164	1,585,609
	_____	_____	_____
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	4,393,879	5,979,603	(1,585,724)
General administration	11,676	11,561	115
	_____	_____	_____
Total Expenditures	4,405,555	5,991,164	(1,585,609)
	_____	_____	_____
EXCESS (Deficiency) OF REVENUES			
OVER (Under) EXPENDITURES	0	0	0
	_____	_____	_____
FUND BALANCE - BEGINNING OF YEAR	0	0	0
	_____	_____	_____
FUND BALANCE - END OF YEAR	\$ 0	\$ 0	\$ 0
	_____	_____	_____

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2006

Exhibit 6-12

	*****ADULT EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources	\$ 150,724	\$ 150,724	0
Federal sources	399,392	400,772	1,380
Total Revenues	550,116	551,496	1,380
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	536,635	534,739	1,896
General administration	13,481	16,757	(3,276)
Total Expenditures	550,116	551,496	(1,380)
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
FUND BALANCE - BEGINNING OF YEAR	0	0	0
FUND BALANCE - END OF YEAR	\$ 0	\$ 0	0

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2006

Exhibit 6-13

	*****VOCATIONAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 859,883	\$ 859,522	\$ (361)
Total Revenues	<u>859,883</u>	<u>859,522</u>	<u>(361)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	<u>859,883</u>	<u>859,522</u>	<u>361</u>
Total Expenditures	<u>859,883</u>	<u>859,522</u>	<u>361</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

**Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006**

Exhibit 6-14

	*****WIA*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 48,443	\$ 36,282	\$ (12,161)
 Total Revenues	<u>48,443</u>	<u>36,282</u>	<u>(12,161)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	33,649	33,649	0
School administration	<u>14,794</u>	<u>2,633</u>	<u>12,161</u>
 Total Expenditures	<u>48,443</u>	<u>36,282</u>	<u>12,161</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	0	0
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2006

Exhibit 6-15

	*****HOMELESS*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 245,937	\$ 236,502	\$ (9,435)
 Total Revenues	<u>245,937</u>	<u>236,502</u>	<u>(9,435)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	219,378	205,345	14,033
General administration	12,977	12,452	525
School administration	5,152	10,005	(4,853)
Student transportation services	<u>8,430</u>	<u>8,700</u>	<u>(270)</u>
 Total Expenditures	<u>245,937</u>	<u>236,502</u>	<u>9,435</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CADDO PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006**

Exhibit 6-16

	*****CHILD NUTRITION PROGRAM*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Interest earnings	\$ 17,000	\$ 198,176	\$ 181,176
Food services	2,681,280	2,577,202	(104,078)
Other	0	4,494	4,494
State sources			
Equalization	4,754,001	4,814,452	60,451
Federal sources	<u>11,055,483</u>	<u>12,788,257</u>	<u>1,732,774</u>
Total revenues	<u>18,507,764</u>	<u>20,382,581</u>	<u>1,874,817</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	0	817	(817)
General administration	105	100	5
Business services	0	362	(362)
Food services	<u>19,653,895</u>	<u>20,621,525</u>	<u>(967,630)</u>
Total expenditures	<u>19,654,000</u>	<u>20,622,804</u>	<u>(968,804)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,146,236)	(240,223)	906,013
FUND BALANCES - BEGINNING OF YEAR	<u>3,502,766</u>	<u>4,310,469</u>	<u>807,703</u>
FUND BALANCES- END OF YEAR	<u>\$ 2,356,530</u>	<u>\$ 4,070,246</u>	<u>\$ 1,713,716</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2006

Exhibit 6-17

	****MISC STATE/FEDERAL GRANTS****		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 3,521,307	\$ 3,548,484	\$ 27,177
Federal sources	<u>3,002,684</u>	<u>2,721,759</u>	<u>(280,925)</u>
Total Revenues	<u>6,523,991</u>	<u>6,270,243</u>	<u>(253,748)</u>
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	6,241,262	6,110,894	130,368
General administration	94,432	135,163	(40,731)
School administration	39	39	0
Business services	464	464	0
Student transportation services	<u>13,500</u>	<u>23,678</u>	<u>(10,178)</u>
Total Expenditures	<u>6,349,697</u>	<u>6,270,238</u>	<u>79,459</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	174,294	5	(174,289)
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(174,294)</u>	<u>0</u>	<u>174,294</u>
Total Other Financing sources (Uses)	<u>(174,294)</u>	<u>0</u>	<u>174,294</u>
Net Change in Fund Balances	0	5	5
FUND BALANCES - BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES - END OF YEAR	<u>\$ 0</u>	<u>\$ 5</u>	<u>\$ 5</u>

CADDO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-18

	*****TOBACCO SETTLEMENT*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources:			
Other	\$ 2,003,693	\$ 1,450,263	\$ (553,430)
 Total Revenues	<u>2,003,693</u>	<u>1,450,263</u>	<u>(553,430)</u>
 EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	1,924,659	1,820,138	104,521
School administration	79,034	79,034	0
 Total Expenditures	<u>2,003,693</u>	<u>1,899,172</u>	<u>104,521</u>
 EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES	0	(448,909)	(448,909)
 FUND BALANCE - BEGINNING OF YEAR	<u>0</u>	<u>1,085,274</u>	<u>1,085,274</u>
 FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 636,365</u>	<u>\$ 636,365</u>

CADD0 PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2006

Exhibit 6-19

*****CEEF OPERATING*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES			
Current:			
Instruction and support services:			
Instruction	\$ 609,492	\$ 218,305	\$ 391,187
Total Expenditures	609,492	218,305	391,187
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(609,492)	(218,305)	391,187
OTHER FINANCING SOURCES (USES)			
Transfers in	609,492	354,719	(254,773)
Total Other Financing Sources (Uses)	609,492	354,719	(254,773)
Net Change in Fund Balance	0	136,414	136,414
FUND BALANCE - BEGINNING OF YEAR	0	254,940	254,940
FUND BALANCE - END OF YEAR	\$ 0	\$ 391,354	\$ 391,354

Caddo Parish School Board

Agency Funds

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

CENTRAL OFFICE CONCESSION FUND This fund accounts for those monies collected by school board employees working in the Central Office Coffee Shop for the purposes of replenishing items sold and maintenance of coffee shop equipment.

CADDO PARISH SCHOOL BOARD

**Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2006**

Exhibit 7

	<u>Balance, July 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 2006</u>
*****SCHOOL ACTIVITIES FUND*****				
ASSETS				
Cash and cash equivalents	\$ 3,427,363	\$ 9,900,419	\$ 9,381,222	\$ 3,946,560
Investments	<u>507,864</u>	<u>50,726</u>	<u>9,528</u>	<u>549,062</u>
Total assets	<u>3,935,227</u>	<u>9,951,145</u>	<u>9,390,750</u>	<u>4,495,622</u>
LIABILITIES				
Accounts payable	0	0	0	0
Deposits due others	<u>3,935,227</u>	<u>9,951,145</u>	<u>9,390,750</u>	<u>4,495,622</u>
Total liabilities	<u>3,935,227</u>	<u>9,951,145</u>	<u>9,390,750</u>	<u>4,495,622</u>
*****CENTRAL OFFICE CONCESSION FUND*****				
ASSETS				
Cash and cash equivalents	3,054	9,113	11,156	1,011
Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total assets	<u>3,054</u>	<u>9,113</u>	<u>11,156</u>	<u>1,011</u>
LIABILITIES				
Accounts payable	3,054	9,113	11,156	1,011
Deposits due others	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities	<u>3,054</u>	<u>9,113</u>	<u>11,156</u>	<u>1,011</u>
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	3,430,417	9,909,532	9,392,378	3,947,571
Investments	<u>507,864</u>	<u>50,726</u>	<u>9,528</u>	<u>549,062</u>
Total assets	<u>3,938,281</u>	<u>9,960,258</u>	<u>9,401,906</u>	<u>4,496,633</u>
LIABILITIES				
Accounts payable	3,054	9,113	11,156	1,011
Deposits due others	<u>3,935,227</u>	<u>9,951,145</u>	<u>9,390,750</u>	<u>4,495,622</u>
Total liabilities	<u>\$ 3,938,281</u>	<u>\$ 9,960,258</u>	<u>\$ 9,401,906</u>	<u>\$ 4,496,633</u>

Caddo Parish School Board

General

Exhibit 8

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2006**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund and represents the amounts paid for the year ended June 30, 2006, and the office held at that time. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, the vice presidents receive \$850 per month and the president receives \$900 per month for performing the duties of office. The extra \$50 and \$100 per month for the vice presidents and the president is paid to each only in the event each attends the monthly executive committee meeting.

<u>Board Member</u>	<u>Amount</u>
Ginger Armstrong, President	\$ 10,500
Lola May, First Vice President	10,200
Willie Burton, Second Vice President	9,900
Bonita Crawford	9,600
Charlotte Crawley	9,600
Phillip R. Guin	9,600
Eursla D. Hardy	9,600
Willie Henderson	10,200
Tammy T. Phelps	9,600
Lillian Priest	9,600
Barry F. Rachal	9,600
Larry Ramsey	<u>9,600</u>
TOTAL	<u>\$117,600</u>

Caddo Parish School Board





STATISTICAL SECTION

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Financial Trends

These schedules contain trend information to help the reader understand how the School Board's financial performance and well being has changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the School Board's most significant local revenue sources, property tax and sales tax.

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Principal Property Taxpayers	7	97
Property Tax Levies and Collections	8	98

Debt Capacity

These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue debt in the future.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.

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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

(concluded)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Net Assets by Component
Fiscal Years Ended June 30, 2002 through June 30, 2006
(Accrual Basis of Accounting)

	2002	2003	2004	2005	2006
Governmental Activities					
Invested in capital assets, net of related debt	\$ 51,755,458	\$ 58,307,673	\$ 63,645,837	\$ 75,276,466	\$ 74,857,236
Restricted	9,849,901	10,924,227	31,682,315	33,432,968	47,686,022
Unrestricted	36,506,883	29,969,042	20,822,964	21,659,010	34,312,000
Total governmental activities net assets	<u>\$ 98,112,242</u>	<u>\$ 99,200,942</u>	<u>\$ 116,151,116</u>	<u>\$ 130,368,444</u>	<u>\$ 156,855,258</u>

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2002.

Table 2

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Net Assets
Fiscal Years Ended June 30, 2002 through June 30, 2006
(Accrual Basis of Accounting)

	2002	2003	2004	2005	2006
Expenses					
Instruction:					
Regular programs	\$ 232,161,977	\$ 236,974,693	\$ 0	\$ 0	\$ 0
Special programs	0	0	132,599,149	142,087,992	133,868,600
Other instructional programs	0	0	50,046,748	51,592,328	52,109,440
Support services:	0	0	21,864,224	22,412,212	32,565,276
Student services	0	0	13,320,911	14,263,016	15,062,772
Instructional staff support	0	0	17,958,491	19,148,360	21,934,681
General administration	4,021,310	4,398,064	4,404,678	5,551,315	5,036,008
School administration	19,470,591	19,820,883	20,369,469	21,743,745	21,875,634
Business services	3,165,280	3,266,792	3,224,330	3,352,776	3,513,340
Plant services	31,100,395	38,249,229	35,643,466	34,325,684	41,689,040
Student transportation services	15,456,807	16,644,066	23,492,329	19,490,721	21,140,140
Food services	18,713,584	19,050,242	19,715,250	20,726,805	4,798,741
Central services	3,913,455	4,248,599	4,448,155	4,722,086	21,151,331
Community services	648,354	711,569	80,616	741,470	773,619
Interest on long-term debt	3,219,822	2,930,742	2,456,173	2,933,655	4,183,284
Total expenses	331,871,575	346,294,879	349,623,989	363,082,165	379,701,926
Program Revenues					
Charges for services:					
Special Programs	0	0	0	0	0
Food Services Operations	2,403,192	2,344,564	2,396,106	2,592,712	2,577,202
Operating Grants and Contributions	43,055,940	49,493,051	56,552,010	51,409,211	61,535,922
Total program revenues	45,459,132	51,837,615	58,948,116	54,001,923	64,113,124
Net (Expense)/ Revenue	(286,412,443)	(294,457,264)	(290,675,873)	(309,080,242)	(315,588,802)
General Revenues and Other Changes in Net Assets					
Taxes					
Ad valorem taxes levied for general purposes	52,213,946	53,402,918	56,655,618	60,701,393	64,253,803
Ad valorem taxes levied for debt service purposes	7,764,589	7,915,877	8,394,531	9,716,257	8,976,506
Ad valorem taxes levied for capital improvements	10,989,937	11,169,379	11,806,193	12,987,739	13,522,237
Sales taxes levied for salaries, benefits and general purposes	51,154,258	53,014,154	52,918,426	56,468,752	66,580,568
State revenue sharing	2,309,912	1,769,822	2,317,934	2,351,742	2,385,815
Grants and contributions not restricted to specific programs	157,538,113	164,908,472	170,316,567	173,022,576	175,663,588
Interest and investment earnings	2,348,840	1,240,852	1,083,177	2,468,774	5,289,328
Miscellaneous	2,024,017	2,124,490	4,083,600	5,980,119	5,433,772
Total	286,343,632	295,545,964	307,626,046	323,297,572	342,075,617
Change in Net Assets	\$ (68,811)	\$ 1,088,700	\$ 16,950,173	\$ 14,217,330	\$ 26,486,815

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2002.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Fund										
Reserved	\$ 516,450	\$ 532,514	\$ 692,406	\$ 626,386	\$ 619,482	\$ 760,086	\$ 769,302	\$ 929,769	\$ 594,276	\$ 1,706,414
Unreserved	14,528,739	18,959,692	22,680,383	26,089,622	28,935,431	20,676,492	17,153,360	25,242,991	30,304,334	44,603,930
Total general fund	<u>15,045,189</u>	<u>19,492,206</u>	<u>23,372,789</u>	<u>26,716,008</u>	<u>29,554,913</u>	<u>21,436,578</u>	<u>17,922,662</u>	<u>26,172,760</u>	<u>30,898,610</u>	<u>46,310,344</u>
All Other Governmental Funds										
Reserved	3,559,310	5,829,575	16,667,734	15,111,388	14,388,037	12,076,919	16,001,548	16,872,291	25,091,123	34,730,845
Unreserved, reported in:										
Special revenue funds	7,517,344	6,922,860	3,506,372	3,230,598	5,295,761	5,191,220	4,813,344	7,076,701	5,606,239	4,684,735
Capital projects funds	(686,453)	3,633,955	11,626,555	20,392,116	23,388,751	27,241,182	20,558,984	16,538,380	38,720,923	33,354,713
Total all other governmental funds	<u>\$ 10,390,201</u>	<u>\$ 16,386,390</u>	<u>\$ 31,800,661</u>	<u>\$ 38,734,102</u>	<u>\$ 43,072,549</u>	<u>\$ 44,509,321</u>	<u>\$ 41,373,876</u>	<u>\$ 40,487,372</u>	<u>\$ 69,417,385</u>	<u>\$ 72,770,293</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Ad valorem taxes	\$ 39,270,971	\$ 63,117,118	\$ 64,261,146	\$ 65,310,879	\$ 69,554,664	\$ 70,369,492	\$ 72,488,174	\$ 76,906,342	\$ 83,405,609	\$ 86,752,546
Sales & use taxes	42,396,962	44,192,340	46,208,702	49,164,115	52,081,049	51,154,258	52,014,154	52,918,426	56,468,732	66,580,568
Investment Earnings	2,380,121	2,971,737	3,704,850	3,984,398	4,509,545	2,948,840	1,240,852	1,083,177	2,468,774	5,289,328
Food services	2,063,957	2,319,329	2,297,908	2,472,001	2,501,320	2,480,192	2,344,564	2,396,106	2,592,712	2,577,202
Other Revenues	2,024,865	1,346,075	1,691,855	1,239,643	2,236,238	3,389,753	3,463,013	3,687,928	4,713,042	3,374,481
Total revenues from local sources	88,436,876	113,946,599	118,164,461	122,171,036	130,882,816	130,167,535	132,530,757	136,971,979	149,648,889	165,574,125
Revenue from state sources:										
Equalization	122,551,245	131,768,333	139,545,515	146,639,831	150,373,415	156,073,827	163,569,443	170,316,567	173,022,576	175,663,588
Other	6,808,364	8,785,179	10,407,459	8,288,957	8,658,687	9,199,645	9,887,179	13,430,844	7,164,535	11,940,401
Total revenue from state sources	129,359,609	140,553,512	149,952,974	154,928,788	159,032,102	165,273,472	173,456,622	183,747,411	180,187,111	187,603,989
Revenue from federal sources	29,319,793	29,918,929	29,055,190	30,932,088	32,151,335	36,173,207	41,375,684	46,261,622	47,478,850	51,981,094
Judgments	0	0	0	0	0	0	0	0	0	0
Total Revenues	247,116,278	284,419,040	297,172,625	308,011,912	321,966,193	331,604,214	347,383,073	366,981,012	377,314,850	406,159,208
Expenditures:										
Current:										
Instruction services	146,773,570	163,409,065	192,861,570	201,556,711	208,333,990	227,915,539	234,828,148	204,497,145	210,386,797	218,763,733
Student services	8,737,094	9,538,765	0	0	0	0	0	13,320,911	14,263,016	15,062,772
Instructional staff support	10,169,207	11,490,607	0	0	0	0	0	17,455,611	18,643,766	21,422,590
General administration	3,362,269	3,859,541	4,243,153	4,011,404	3,778,232	3,971,366	4,136,128	4,656,923	4,890,893	5,029,868
School administration	13,635,540	15,382,095	16,693,938	17,439,706	19,239,869	19,208,481	19,591,886	20,138,093	21,443,523	21,633,708
Business services	2,313,755	2,570,944	2,817,153	2,861,329	2,995,671	3,093,165	3,215,763	3,300,776	3,449,137	3,449,137
Plant services	22,212,203	24,117,576	23,162,656	25,477,804	28,425,497	27,915,139	29,708,603	33,869,801	32,004,236	38,320,583
Student transportation services	11,628,103	12,325,973	14,321,565	15,027,026	15,967,050	15,897,950	16,284,873	17,783,854	17,448,806	19,181,080
Food service	17,242,430	17,801,714	18,368,550	17,559,728	18,074,453	18,421,796	18,822,847	19,448,698	20,328,108	4,798,741
Central services	2,584,174	2,825,728	3,077,118	3,509,363	3,693,121	3,910,160	4,448,155	4,722,086	4,722,086	20,621,525
Community services	616,654	776,983	709,927	603,539	583,540	647,309	711,806	80,616	741,470	778,619
Capital Outlay	8,490,168	7,261,864	15,669,869	25,494,276	17,998,616	14,510,383	15,465,477	13,972,949	18,959,014	31,740,322
Principal	2,525,000	2,705,000	3,445,000	3,635,000	4,170,000	4,828,636	5,659,545	6,334,545	7,119,545	3,239,545
Interest	1,477,160	1,292,162	1,847,018	2,020,810	2,722,016	3,114,765	2,738,542	2,433,847	3,244,949	3,333,311
Total Expenditures	251,761,317	275,578,217	299,219,499	319,196,696	325,982,055	343,131,722	355,432,940	365,617,418	377,658,985	407,394,566
Excess of revenues over (under) expenditures	(4,645,039)	8,840,823	(2,046,874)	(11,184,764)	(4,015,862)	(11,527,508)	(8,049,867)	1,363,594	(344,135)	(1,233,338)
Other Financing Sources (Uses)										
Proceeds from the sale of fixed assets	34,850	309,726	53,014	16,187	58,471	196,550	506	0	0	0
Proceeds from borrowing	0	0	20,000,000	20,000,000	8,000,000	3,500,000	1,400,000	6,000,000	34,000,000	20,000,000
Proceeds from refunding	0	0	0	0	0	0	8,190,000	0	25,115,000	0
Payments to escrow agent	0	0	0	0	0	0	(8,190,000)	0	(25,115,000)	0
Transfers in	1,131,430	1,276,261	228,946	607,658	512,268	592,023	177,587	381,647	396,926	354,719
Transfers out	(1,831,430)	(1,128,241)	(70,000)	(480,000)	(287,657)	(892,023)	(177,587)	(381,647)	(396,926)	(354,719)
Total other financing sources (uses)	(655,150)	457,746	20,211,960	20,223,845	8,363,082	3,698,550	1,400,506	6,000,000	34,000,000	20,000,000
Net change in fund balances	(5,310,189)	9,298,569	18,165,086	9,059,061	4,347,220	(7,829,958)	(6,649,361)	7,363,594	33,653,665	18,764,642
Debt service as a percentage of noncapital expenditures	1.6%	1.5%	1.9%	1.9%	2.2%	2.4%	2.5%	2.5%	2.9%	1.8%

Table 5

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property		Less: Homestead Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property					
1997	\$ 617,670,160	\$ 370,428,190	\$ 266,816,990	\$ 721,281,360	53.31	\$ 7,737,226,608	12.77%
1998	645,635,843	387,199,727	270,391,580	762,443,990	85.08	8,082,437,653	12.78%
1999	658,810,174	395,100,616	274,951,040	778,959,750	84.48	8,248,621,700	12.78%
2000	673,260,704	403,766,866	278,350,870	798,676,700	83.98	8,426,004,120	12.78%
2001	706,442,143	423,666,387	292,114,080	837,994,450	85.63	8,565,975,470	13.19%
2002	717,939,510	430,561,570	294,524,450	853,976,630	86.03	8,996,067,070	12.77%
2003	718,407,286	430,842,104	294,834,060	854,415,330	87.27	9,133,518,990	12.58%
2004	744,358,528	446,405,542	296,544,450	894,219,620	81.73	9,751,542,550	12.21%
2005	852,701,411	511,380,769	327,812,250	1,036,269,930	81.73	11,442,463,100	11.92%
2006	876,321,112	525,545,938	321,918,880	1,079,948,170	80.65	11,788,759,150	11.89%

Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value.

Table 6

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate		Total School		Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Caddo Parish Commission	City of Shreveport		
1997	49.28	5.30	54.58	44.92	51.63	151.13	
1998	77.68	7.40	85.08	44.89	51.63	181.60	
1999	77.68	6.80	84.48	44.19	51.63	180.30	
2000	77.68	6.30	83.98	44.19	51.63	179.80	
2001	76.33	9.30	85.63	41.89	51.30	178.82	
2002	76.33	9.70	86.03	43.86	51.30	181.19	
2003	77.57	9.70	87.27	44.10	51.30	182.67	
2004	72.03	9.70	81.73	44.10	51.30	177.13	
2005	72.03	9.70	81.73	39.91	46.64	168.28	
2006	73.05	7.60	80.65	40.64	46.64	167.93	

Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) School district debt service millage is for individual school districts.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Caddo Parish. Not all overlapping rates apply to all property owners.

Table 7

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Property Taxpayers
June 30, 2006 and Nine Years Ago

Taxpayer	Fiscal Year 2006			Fiscal Year 1997		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southwestern Electric Power Company	\$ 61,759,750	1	5.72 %	\$ 45,770,100	1	6.35 %
Bell South	27,992,130	2	2.59	34,527,920	2	4.79
General Motors	27,300,160	3	2.53	17,355,070	4	2.41
Sam's Town	17,762,390	4	1.64			
Universal Oil Products	14,435,840	5	1.34	8,056,890	10	1.12
Hibernia National Bank	13,045,800	6	1.21	8,792,030	9	1.22
AmSouth Bank	11,097,860	7	1.03			
Wal-Mart	9,803,150	8	0.91			
Boomtown Casino	8,088,490	9	0.75			
Centerpoint Energy	7,386,630	10	0.68			
Atlas Processing Company				21,335,160	3	2.96
Lucent Technologies				16,733,050	5	2.32
Commercial National Bank				12,223,590	6	1.69
NorAm Energy Corporation				10,574,570	7	1.47
Bank One				8,981,030	8	1.25
Totals	\$ 198,672,200		18.40 %	\$ 184,349,410		25.58 %

Source: Caddo Parish Tax Assessor Agency

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1997	\$ 38,451,509	\$ 37,353,822	97.15%	\$ 624,076	\$ 37,977,898	98.77%
1998	64,868,735	62,493,042	96.34%	1,524,726	64,017,768	98.69%
1999	65,806,520	62,736,420	95.33%	1,629,267	64,365,687	97.81%
2000	67,072,869	63,681,612	94.94%	3,256,040	66,937,652	99.80%
2001	71,757,465	66,506,769	92.68%	1,220,163	67,726,932	94.38%
2002	73,467,609	68,664,028	93.46%	1,948,624	70,612,652	96.11%
2003	74,564,825	70,987,096	95.20%	2,265,744	73,252,840	98.24%
2004	78,038,546	73,259,071	93.88%	827,831	74,086,902	94.94%
2005	84,694,341	83,689,424	98.81%	N/A	83,689,424	98.81%
2006	88,177,768	86,752,546	98.38%	N/A	86,752,546	98.38%

Source: Caddo Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

Table 9

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Total Bonds Outstanding	Percentage of Personal Income	Per Capita
1997	26,790,000	26,790,000	0.50%	109
1998	24,085,000	24,085,000	0.43%	98
1999	40,640,000	40,640,000	0.69%	168
2000	57,005,000	57,005,000	0.96%	237
2001	60,835,000	60,835,000	0.96%	241
2002	56,070,000	56,070,000	0.83%	223
2003	50,875,000	50,875,000	0.74%	201
2004	45,250,000	45,250,000	0.64%	181
2005	73,090,000	73,090,000	0.96%	291
2006	91,190,000	91,190,000	1.13%	363

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Table 10

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property		Per Capita
				\$	%	
1997	\$ 26,790,000	\$ 1,098,579	\$ 25,691,421	\$	0.33%	104
1998	24,085,000	2,483,213	21,601,787		0.27%	88
1999	40,640,000	2,295,917	38,344,083		0.46%	159
2000	57,005,000	1,457,152	55,547,848		0.66%	231
2001	60,835,000	2,036,003	58,798,997		0.69%	233
2002	56,070,000	1,818,230	54,251,770		0.60%	215
2003	50,875,000	1,446,314	49,428,686		0.54%	195
2004	45,250,000	1,661,886	43,588,114		0.45%	174
2005	73,090,000	2,458,035	70,631,965		0.62%	281
2006	91,190,000	6,505,944	84,684,056		0.72%	337

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Direct and Overlapping Governmental Activities Debt
 As of June 30, 2006

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Caddo Parish Commission	\$ 8,430,000	100.00%	\$ 8,430,000
City of Shreveport	520,934,000	100.00%	520,934,000
Subtotal, overlapping debt			<u>529,364,000</u>
Caddo Parish School Board Direct Debt			<u>91,190,000</u>
Total direct and overlapping debt			<u>\$ 620,554,000</u>

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Caddo Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes only general bonded debt.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt Limit	\$ 247,074,588	\$ 258,208,892	\$ 263,477,698	\$ 269,256,893	\$ 282,971,253	\$ 287,125,270	\$ 287,820,603	\$ 309,940,910	\$ 341,020,545	\$ 350,466,763
Total net debt applicable to limit	<u>25,691,421</u>	<u>21,601,787</u>	<u>38,344,083</u>	<u>55,547,848</u>	<u>58,798,997</u>	<u>54,251,770</u>	<u>49,428,686</u>	<u>43,588,114</u>	<u>75,548,035</u>	<u>84,684,056</u>
Legal debt margin	\$ <u>221,333,167</u>	\$ <u>236,607,105</u>	\$ <u>225,133,615</u>	\$ <u>213,709,045</u>	\$ <u>224,172,256</u>	\$ <u>232,873,500</u>	\$ <u>238,391,917</u>	\$ <u>266,352,796</u>	\$ <u>265,472,510</u>	\$ <u>265,782,707</u>
Total net debt applicable to the limit as a percentage of debt limit	10.40%	8.37%	14.55%	20.63%	20.78%	18.89%	17.17%	14.06%	22.15%	24.16%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed value	\$ 1,079,948,170
Add back: exempt real property	<u>321,918,880</u>
Total assessed value	<u>1,401,867,050</u>
Debt limit (25% of total assessed value)	350,466,763
Debt applicable to limit:	
General Obligation bonds	91,190,000
Less: Amount set aside for repayment of general obligation debt	<u>6,505,944</u>
Total net debt applicable to limit	<u>84,684,056</u>
Legal debt margin	\$ <u>265,782,707</u>

Notes:

(1) The debt limit is 25% of total assessed value. This percentage is in accordance with Act 103 or 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1997	246,363	\$ 5,390,353,000	\$ 21,880	34.3	49,603	6.0	6.0
1998	244,943	5,597,431,000	22,852	34.3	48,628	6.9	6.9
1999	241,587	5,883,025,000	24,352	34.3	47,649	6.5	6.5
2000	240,846	5,968,299,000	24,781	34.5	45,524	4.6	4.6
2001	252,161	6,332,480,000	25,113	35.1	44,603	4.7	4.7
2002	251,957	6,718,410,000	26,665	35.0	41,781	6.4	6.4
2003	253,474	6,838,272,000	26,978	36.2	44,316	7.3	7.3
2004	250,342	7,125,342,000	28,462	36.6	43,499	7.4	7.4
2005	251,506	7,596,513,000	30,204	35.6	43,524	7.0	7.0
2006	251,309	8,067,684,000	32,103	35.7	43,127	5.6	5.6

Sources:

- (1) Population data obtained from U. S. Census Bureau.
- (2) School enrollment obtained from Louisiana Department of Education.
- (3) Unemployment rate obtained from U. S. Department of Labor.
- (4) Median age data obtained from U. S. Census Bureau and Center for Business Economic Research, Louisiana State University, Shreveport.
- (5) Personal income data obtained from www.stats.indiana.edu.

Table 14

CADDO PARISH SCHOOL BOARD
 Shreveport, Louisiana

Principal Employers
 Current Year

	Number of Employees
Barksdale Air Force Base	9,815
State of Louisiana-Dept. of Civil Service	8,948
Caddo Parish School Board	6,661
LSU Health Sciences Center	5,841
Willis Knighton Health System	4,132
Harrah's Horseshoe Casino & Hotel/Harrah's Louisiana Downs	3,399
City of Shreveport	3,053
General Motor Truck Group	3,002
Christus Schumpert Health System	2,185
El Dorado Resort Casino	1,683

Source: Greater Shreveport Chamber of Commerce

Notes: Principal employers information was not available for nine years ago.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2006

Form of Government:	Parish School Board	Instruction Sites	Constructed	Capacity/Sq. Ft.	Acreage	Enrollment
Geographic Area:	891 Square Miles					
Population:	251,309					
Public School Membership:	43,127					
High Schools:						
C.E. Byrd			1926	246,347	20.56	1925
Caddo Magnet			1964	111,618	26.50	1134
Captain Shreve			1967	193,488	58.00	1145
Fair Park			1928	158,575	23.00	635
Green Oaks			1971	157,000	52.64	468
Hamilton Terrace Adult Learning Center			1925	71,000	8.00	382
Huntington			1973	227,301	43.00	1181
North Caddo			1954	81,794	40.00	368
Northwood			1970	147,486	63.20	926
Southwood			1970	195,503	60.00	1498
Booker T. Washington			1950	145,366	33.00	403
Woodlawn			1960	176,858	53.00	749
				<u>1,912,336</u>	<u>480.90</u>	<u>10,814</u>
Middle Schools:						
Bethune			1961	107,252	20.00	619
Donnie Bickham			1989	152,284	32.38	679
Broadmoor Middle Lab			1949	88,586	16.00	615
Caddo Middle Magnet			1965	106,880	20.00	1233
J.S. Clark			1958	104,080	30.00	624
Caddo Middle Career - Technology			1955	66,103	10.00	415
Linear			1961	79,263	25.00	493
Linwood			1949	85,912	17.62	625
Ridgewood			1965	83,415	19.98	816
Yource Drive			1959	97,304	26.25	1055
				<u>971,079</u>	<u>217.23</u>	<u>7,174</u>

(Continued)

Table 15

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2006

Instruction Sites:	Constructed	Capacity/Sq. Ft.	Acreage	Enrollment
Middle Schools (continued):				
Hemdon	1956	74,106	80.00	772
Keithville	1989	161,630	32.50	1118
Oil City	1923	33,071	4.72	380
Turner	1984	160,000	17.00	1185
Vivian	1923	93,334	9.00	747
Walnut Hill	1956	118,555	77.58	1558
		<u>640,696</u>	<u>220.80</u>	<u>5,760</u>
Elementary Schools:				
Arthur Circle	1955	30,802	12.77	452
Atkins	1935	52,572	13.00	564
Barret	1916	33,500	4.00	298
Blanchard	1948	62,460	10.00	447
Caddo Heights	1949	73,475	15.00	628
Central	1917	51,136	2.95	204
Cherokee Park	1966	44,142	8.50	360
Clalborne Fundamental Magnet	1923	45,192	5.00	421
Creswell	1920	50,328	4.00	401
Eden Gardens Fundamental Magne	1967	44,496	6.50	458
Eighty-First Street ECE	1954	35,452	12.60	383
Fairfield	1924	43,600	9.00	389
Forest Hill	1964	59,770	12.40	784
Hillsdale	1960	43,850	12.00	491
Hosston	1931	29,623	9.02	95
Ingersoll	1956	57,100	11.69	227
Judson Fundamental Magnet	1954	32,284	12.00	487
Lakeshore	1949	94,561	18.00	584
Midway	1931	63,028	15.09	324
Mooretown ECE	1954	54,000	10.00	335
Mooringsport	1911	43,868	4.00	242
North Highlands	1957	42,802	10.00	488
		<u>1,088,041</u>	<u>217.52</u>	<u>9,062</u>

(Continued)

Table 15

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2006

Instruction Sites:	Constructed	Capacity/Sq. Ft.	Average	Enrollment
Elementary Schools (continued):				
Northside	1955	38,193	12.00	413
Oak Park	1958	40,000	10.00	365
Pine Grove	1963	49,840	10.00	348
Queensborough	1974	56,000	5.00	281
Riverside	1957	35,223	9.44	462
Shreve Island	1955	40,100	10.45	760
Newton Smith	1960	32,295	12.00	301
South Highlands Magnet	1922	48,352	5.40	465
Southern Hills	1959	65,014	10.00	712
A.C. Steere	1929	22,592	13.00	461
E.B. Williams Stoner Hill Lab	1954	34,587	14.44	300
Summerfield	1967	51,850	15.46	658
Summer Grove	1954	39,535	12.00	640
Sunset Acres	1954	40,969	10.73	551
Jack P. Timmons	1956	33,795	10.08	302
University	1969	62,769	15.34	839
Werner Park	1942	64,723	8.30	517
West Shreveport	1926	63,943	5.00	440
Westwood	1960	25,295	10.00	491
		<u>845,075</u>	<u>198.64</u>	<u>9,306</u>
Other Instruction Sites:				
Alexander Learning Center	1912	30,000	3.73	154
Caddo Career Center	1956	103,868	18.15	
School Nurse/Book Processing	1975	11,338	3.60	
Special Education Center	1982	48,120	6.00	
Oak Terrace Special Education	1959	66,200	18.00	389
		<u>259,526</u>	<u>49.48</u>	<u>543</u>
Total Overall Instruction Sites		<u>5,716,753</u>	<u>1384.57</u>	<u>42,659</u>
				<u>Concluded</u>

Source: Caddo Parish School Board

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Personnel

Fiscal Years Ended June 30, 2002 Through June 30, 2006

	2002	2003	2004	2005	2006
Teachers					
Less than a Bachelor's degree	48	47	51	58	48
Bachelor	1912	1926	1920	1932	2000
Master	625	634	613	589	613
Master +30	387	371	329	285	279
Specialist in Education	24	21	23	25	23
Ph.D or Ed.D	10	11	7	6	9
Total	3006	3010	2943	2895	2972
Principals & Assistants					
Bachelor	0	0	0	0	0
Master	43	46	46	48	53
Master +30	97	94	94	93	90
Specialist in Education	4	5	5	6	5
Ph.D or Ed.D	8	9	9	9	8
Total	152	154	154	156	156

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

Notes:

(1) The agreed upon procedures report on performance and statistical data is available only for the fiscal years ended June 30, 2002 through 2006.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Percentage of Free/Reduce Meals	Teaching Staff	Pupil/Teacher Ratio
2002	\$ 331,871,575	41,781	\$ 7,943	0	N/A	3006	13.90
2003	346,294,879	44,316	7,814	-0.02	N/A	3010	14.72
2004	349,623,989	43,499	8,038	0.03	N/A	2943	14.78
2005	363,082,165	43,524	8,342	0.04	N/A	2895	15.03
2006	379,701,926	43,127	8,804	0.06	56.35	2972	14.51

Notes:

- (1) This information is presented for 2002 and thereafter because the teaching staff information is extracted from the agreed upon procedures report on performance and statistical data which is available only for the fiscal years ended June 30, 2002 through 2006.
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (3) Enrollment is extracted from Table 13, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 16, School Personnel.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Insurance in Force
June 30, 2006

Type of Coverage/ Name of Company	Policy Number	Policy Period		Details of Coverage and Coinsurance	Coverage Limits	Premium
		From	To			
Property damage AXIS Re Westchester	RAF71489201 D36056174001	7/1/2005	6/30/2006	Building/Contents	\$ 10,000,000	\$ 174,715
		7/1/2005	6/30/2006	Building/Contents \$500,000 deductible	10,000,000	174,715
General Liability Vehicle Liability Louisiana School Self Insured Group	01A2RL200001901	7/1/2005	6/30/2006	Premises Liability Vehicle Liability \$750,000 deductible	2,000,000	\$ 356,623
Equipment Breakdown Hartford Steam Boiler	FBP00079060014	7/1/2005	6/30/2006	Equipment Breakdown Boiler Explosion \$25,000 deductible	25,000,000	\$ 23,385
Public Employee Bond St. Paul Travelers	104160122	9/1/2005	9/1/2006	Dishonesty \$5,000 deductible	500,000	\$ 4,814
Computers Hartford	43MSCY15420	8/1/2005	8/1/2006	Damage/theft of 65 Apple lap top computers \$250 deductible	\$ 97,400	\$ 543
Pest Control Bond St. Paul Travelers	100952946	5/3/2006	5/3/2007	Guarantees exterminator will conduct his duties in the required manner	\$ 2,000	100
Computers St. Paul Travelers	QT6605375B023TIL05	7/7/2005	11/7/2005	Damage/theft while stored at South Park Mall \$5,000 deductible	\$ 900,000	\$ 4,500

**Caddo Parish School Board
Shreveport, Louisiana**

**Compliance with Single Audit Act Amendment of 1996
And Other Information
For the Year Ended June 30, 2006**

**Caddo Parish School Board
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The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management Letter Items

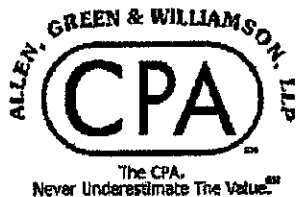
We noted certain matters that we reported to management in a separate letter dated December 22, 2006.

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

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 22, 2006



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Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board Members

Caddo Parish School Board
Shreveport, Louisiana

Compliance

We have audited the compliance of Caddo Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The Caddo Parish School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Caddo Parish School Board's management. Our responsibility is to express an opinion on the Caddo Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Caddo Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Caddo Parish School Board's compliance with those requirements.

In our opinion, the Caddo Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of the Caddo Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Caddo Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Caddo Parish School Board, as of and for the year ended June 30, 2006, and have issued our report thereon dated December 22, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Caddo Parish School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 22, 2006

**Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
CASH FEDERAL AWARDS			
<i>United States Department of Agriculture</i>			
Passed through Ender York, Inc. of Herndon, Virginia:			
Food Distribution (Cash in lieu of commodities)	10.550	N/A	\$ 822,531
Passed through Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	2,748,025
National School Lunch Program	10.555	N/A	8,692,056
Summer Food Program for Children	10.559	N/A	515,675
USDA Family Nutrition Nights	10.574	N/A	<u>1,909</u>
Total United States Department of Agriculture			<u>12,780,196</u>
<i>United States Department of Education</i>			
Passed through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program		27-0644-09, 28-0644-09, 28-0623-09 & 28-0613-09	317,424
Title I Grants to Local Educational Agencies			
Basic Grant Program		28-05-TA-09 & 28-06-TI-09	16,114,468
Special Education:			
State Grants - Part B		H027A050033 & 28-06-P1-09	7,402,303
Preschool Grants	84.173	28-06-P1-09	314,439
Katrina Rita Homeless Program	96.UKN		25,761
Vocational Education:			
Basic Grants to States		28-0602-09 & 28-0502-09-C	859,522
Education For Homeless Children and Youth			
McKinney Homeless Assistance		28-05-H1-09 & 28-06-H1-09	121,504
Improving Teacher Quality (Title II)	84.367	28-06-50-09	2,989,806
English Language Acquisition Grant (Title III)	84.365	28-06-60-09	44,198
School Comprehensive Reform		28-05-TP-09-C, 28-04-T6-09-C & 28-04-T7-09C	334,732
Title IV (Safe and Drug-Free Schools)	84.186	Q186A050019	426,854
Reading First State Grants	84.357	28-06-RF-09, 28-05-PS-09 & 28-05-TP-09-C	2,234,281
Title IV-B 21 st Century Grant	84.287	04CC09	14,055

**Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
Math & Science Tutoring Program	84.366	28-06-MP-08 & 28-05-MP-16	83,685
Hurricane Education Recovery	84.938C	28-06-IA-09 & 28-06-IP-09	5,991,164
Title V	84.298	S298A50018	<u>64,338</u>
Total United States Department of Education			<u>37,338,534</u>
United States Department of Health and Human Services			
Passed through the Louisiana Department of Education:			
Title XIX	93.778	N/A	107,223
Temporary Assistance for Needy Families (TANF)		2806EP09, 615887, 615941, 635673 & 631248	
	93.558		<u>415,208</u>
Total United States Department of Health and Human Services			<u>522,431</u>
United States Department of Labor			
Passed through the City of Shreveport:			
Workforce Investment Act	17.255	K5009	<u>36,282</u>
Corporation for National and Community Service			
Passed through the Louisiana Department of Education:			
Learn and Serve America	94.004	LSPLA-201	<u>3,267</u>
United States Department of Housing and Urban Development			
Continuum of Care – Homeless Education			
Enhancement Program	14.235	LA48B402015	<u>89,237</u>
United States Department of Defense			
Direct Programs:			
Department of the Army			
ROTC	12.UKN	N/A	<u>1,173,328</u>
Other Cash Federal Awards			
Payments in Lieu of Taxes	14.UKN	N/A	<u>29,758</u>
TOTAL CASH FEDERAL AWARDS			<u>51,973,033</u>
NONCASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550	N/A	<u>8,061</u>
TOTAL NONCASH FEDERAL AWARDS			<u>8,061</u>
TOTAL FEDERAL AWARDS			<u>\$51,981,094</u>

Caddo Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

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

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

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

<u>Federal Sources</u>	
General	\$ 1,203,086
Title I	16,114,468
Child Nutrition Fund	12,788,257
Misc. State/Federal Grants	2,721,759
Other Governmental:	
TANF	280,121
Special Education	7,716,742
Title II	2,989,806
Title XIX	107,223
Title III	44,198
Title IV (Drug Free)	426,854
Title V	64,338
Adult Education	400,772
Vocational Education	859,522
WIA	36,282
Homeless	236,502
Hurricane Education Recovery	<u>5,991,164</u>
Total	<u>\$51,981,094</u>

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

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Caddo Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2006**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.

The reportable conditions were not considered to be a material weakness.

- iii. There were no instances of noncompliance considered material to the financial statements, as defined by Government Auditing Standards.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit did not disclose audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).

- vii. The major federal awards are:

Special Education Cluster:

CFDA #84.027 State Grants – Part B

CFDA #84.173 Preschool Grants

CFDA #84.938C Hurricane Education Recovery Act

- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section .520(b) was \$1,559,433.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular A-133, Section .530.

**Caddo Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2006**

Part II – Findings related to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

Reference # and title: 06-F1 Capital Asset Listing

Criteria or specific requirement: Sound business decisions require accurate and timely financial reporting. The implementation of GASB 34 has enhanced the financial reporting of capital assets by requiring capital assets to be accounted for in virtually the same manner as commercial entities. This requires that capital assets with cost exceeding the capitalization threshold established by the school board be added to the capital asset listing and depreciated. The net value of capital assets is reported on the Statement of Net Assets. This reporting heightens the need that the capital assets listing be accurate, current and comprehensive. Cost, current year depreciation and accumulated depreciation calculations must be accurate to provide a roll forward of the amounts of capital asset information from year to year.

Condition:

Equipment: Inspections of capital assets were performed at several locations. While performing inspections we noted that very few items in the school cafeterias were on the listing. Upon further inspection, it appears that cafeteria equipment has not been added to the capital asset listing for most locations.

Construction in Progress: A schedule of construction in progress is completed only at fiscal year end. The schedule includes only projects that are open at year end. Projects begun and completed within the same fiscal year are not included on the schedule. Three major projects that were completed in prior years had not been added to the capital asset listing. The Director of Capital Projects does not receive monthly reports of costs on projects and has to piece together information to determine how much has been spent on a project and the balance remaining in the budget.

Possible asserted effect (cause and effect):

Cause:

Equipment: Equipment for the cafeterias is issued by the child nutrition department from inventory. The equipment should not be added to the listing until it is used. Therefore, when the equipment was purchased it was added to inventory instead of capital assets. All other equipment is added to the capital asset listing when the invoice is paid.

Construction in progress: The schedule of construction in progress is completed only at year end for financial statement purposes. Procedures have not been developed through communication between the capital projects department and the accounting department to provide a clear trail of information needed for proper reporting and monitoring of construction in progress.

Effect:

Equipment: The cafeteria equipment was not on the capital asset listing.

Construction in progress: The ending balance of construction in progress appeared to be materially correct. The additions and deletions to construction in progress were not complete.

Caddo Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2006

Recommendations to prevent future occurrences:

Equipment: The child nutrition bookkeeper will forward to the accounting department a listing of equipment that has been issued from inventory to the cafeterias for the month. The accounting department will add this equipment to the capital asset listing.

Construction in progress: The accounting department should provide information monthly to the capital projects department showing total expenditures by month by project and cumulative amount spent per project. The capital projects department should send a list monthly to the accounting department of any finished and/or canceled projects. When a major project over \$100,000 is completed it should be added to the capital asset listing in a timely manner.

Reference # and title: **06-F2** **Access to Accounts Payable Computer System**

Criteria or specific requirement: Good internal controls require that duties be segregated as much as possible. Employees who process vendor invoices should not also have access to set up new vendors in the system.

Condition: The internal audit department performed a review of the accounts payable department to determine if the department is processing properly approved payments accurately and to ensure that controls are in place to prevent unauthorized payments from being processed. In performing their audit procedures they determined that one screen within the system that was not secured was the vendor setup screen. Users who have access to pay invoices can also set up vendors.

Possible asserted effect (cause and effect):

Cause: The system analyst sets up user's applications and accounts payable personnel determine which screens a user has access to. If a screen is not secured within the application, all users with application access have access to the screen.

Effect: This situation weakens control over the accounts payable process.

Recommendations to prevent future occurrences: Employees who have access to process vendor invoices should not have access to also set up vendors or change vendor information in the system. Updates to the vendor master file should be reviewed on a periodic basis. A log of vendor master file changes should be maintained to provide an audit trail.

**Caddo Parish School Board
Summary Schedule of Prior Audit Findings
June 30, 2006**

Reference # and title: **05-F1** **Monitoring of Capital Assets**

Condition: Of items selected for testing the deletions of capital assets in the current year, four of five items were found still in use at a particular school. These assets had been removed from the capital asset listing, but were still in use. Of twenty-five items selected from the capital asset listing to be traced to the asset in the schools, three assets could not be traced. One item had been scrapped in the summer of 2004, another had been traded in over a year ago, and the last item had been removed eight or ten years ago from the particular school. These assets had not been deleted from the capital asset listing.

Correction Action Taken: An accounting employee continues to work with school personnel to ensure that capital assets are accurately recorded in our inventory tracking system. A training workshop will be held in January 2007 for all school fixed asset coordinators.

**Caddo Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2006**

Reference # and title: **06-F1** **Capital Asset Listing**

Criteria or specific requirement: Sound business decisions require accurate and timely financial reporting. The implementation of GASB 34 has enhanced the financial reporting of capital assets by requiring capital assets to be accounted for in virtually the same manner as commercial entities. This requires that capital assets with cost exceeding the capitalization threshold established by the school board be added to the capital asset listing and depreciated. The net value of capital assets is reported on the Statement of Net Assets. This reporting heightens the need that the capital assets listing be accurate, current and comprehensive. Cost, current year depreciation and accumulated depreciation calculations must be accurate to provide a roll forward of the amounts of capital asset information from year to year.

Condition:

Equipment: Inspections of capital assets were performed at several locations. While performing inspections we noted that very few items in the school cafeterias were on the listing. Upon further inspection, it appears that cafeteria equipment has not been added to the capital asset listing for most locations.

Construction in Progress: A schedule of construction in progress is completed only at fiscal year end. The schedule includes only projects that are open at year end. Projects begun and completed within the same fiscal year are not included on the schedule. Three major projects that were completed in prior years had not been added to the capital asset listing. The Director of Capital Projects does not receive monthly reports of costs on projects and has to piece together information to determine how much has been spent on a project and the balance remaining in the budget.

Correction Action Planned: Equipment -The child nutrition bookkeeper will provide to Accounting a monthly listing of equipment which is issued to schools from warehouse inventory. Accounting will add this equipment to the capital asst listing. Construction in Progress – Accounting is working with Information Technology to refine the report which provides the capital project expenditure information by project. The capital asset listing will be updated in a timely manner as the Construction Department notifies Accounting of completed and/or cancelled projects.

Contact person responsible for corrective action:

Ben Wreyford Telephone (318) 603-6282
Caddo Parish School Board Fax: (318) 603-6274
P. O. Box 32000
Shreveport, LA 71130-2000

Anticipated completion date: Immediately.

Reference # and title: **06-F2** **Access to Accounts Payable Computer System**

Criteria or specific requirement: Good internal controls require that duties be segregated as much as possible. Employees who process vendor invoices should not also have access to set up new vendors in the system.

Condition: The internal audit department performed a review of the accounts payable department to determine if the department is processing properly approved payments accurately and to ensure that controls are in place to prevent unauthorized payments from being processed. In performing their audit procedures they determined that one screen within the system that was not secured was the vendor setup screen. Users who have access to pay invoices can also set up vendors.

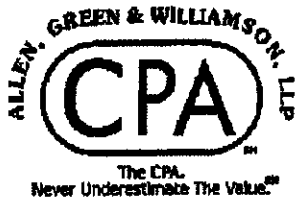
**Caddo Parish School Board
Corrective Action Plan for Current Year Audit Findings
As of and For the Year Ended June 30, 2006**

Correction Action Planned: Access to vendor set up screens will be limited through system security to those employees who have the job responsibility to setup and change vendors. A vendor maintenance report will be developed to detail updates to the vendor file, and will be reviewed and archived daily by the Assistant Supervisor of Accounting/Accounts Payable.

Contact person responsible for corrective action:

Ben Wreyford Telephone (318) 603-6282
Caddo Parish School Board Fax: (318) 603-6274
P. O. Box 32000
Shreveport, LA 71130-2000

Anticipated completion date: Immediately.



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(Retired) 1963 - 2000

Management Letter

Board Members
Caddo Parish School Board
Shreveport, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board, as of and for the year ended June 30, 2006, which collectively comprise the School Board's basic financial statements, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted matters involving operations that are presented for your consideration. This letter does not affect our report dated December 22, 2006, on the basic financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to result in other operating efficiency. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendation. Our comments are summarized as follows:

06-M1 Reconciliation of Personnel/Payroll Variance Reports

Comment: When a new employee is hired the personnel department completes the top portion of a PTO form which lists position, years experience, and step pay rate among other information. This form is given to payroll to complete the salary information. The PTO form is then forwarded to data processing to enter the information. Personnel information and payroll information are maintained on two different systems. A report is generated with each payroll run that lists the differences between the two systems by employee. This variance report is not being reconciled or reviewed by anyone in personnel. We reviewed the report and selected 10 names with listed variances to reconcile the information maintained by personnel with the information maintained in the payroll department. In 9 out of 10 of the variances the payroll system was correct and the employee was paid the proper amount. In one instance the personnel records were correct and the amount paid by payroll was not correct.

Recommendation: This variance report should be reconciled with each payroll run and changes made if needed to the appropriate system.

Management's response: The Personnel Department, though included in this report, was not interviewed or consulted regarding this concern. Personnel administrators/staff are aware of the variance report and make a concerted effort to reconcile. Specifically, the Director of Certified Personnel reviewed the variance report that was run on October 10, 2006, and held a follow-up meeting with the payroll manager on October 30, 2006 to discuss discrepancies. The Payroll Manager is researching discrepancies for all certified personnel on the "Z" scale and all principals. His findings are to be reported to the personnel director, and they will attempt to reconcile any variances. The certified staffing administrators are researching discrepancies to reconcile in respective areas. Many of the variances for positions such as coaches and JROTC instructors are due to the automatic "roll forward" of step increases by the Payroll Department. Be it duly noted, that the volume of new hires during August/September, the number of positions which require annual adjustments of stipends and/or step increases, and the maintenance of this information on two different systems cause processing of required paperwork to reconcile to take several months. Additionally, the Director of Classified Personnel assumes the responsibility for reconciling variance in that department. Variances have posed such a concern that improvements in that area have been included in professional growth plans of administrators. Extra efforts will be directed at making corrections with Payroll prior to the creation of the report. The departments will continue to support the acquisition of a system that will allow the same information to serve personnel and payroll functions.

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

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2006, which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

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

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

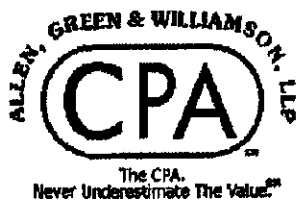
Monroe, Louisiana
December 22, 2006

**Caddo Parish School Board
Status of Prior Year Management Letter Items
As of and for the Year Ended June 30, 2006**

05-M1 Reserves for Worker's Compensation

Comment: The workers' compensation reserve is an estimate of what the School Board expects to pay out during the life of an individual claim. This number represents the total amount of payments (including medical, indemnity, and other payments). These reserves should be reviewed and updated on a consistent basis. It appears that these reserves have not been updated recently because the actual amounts paid out exceeded the reserve for several of the cases.

Management's response: We perform periodic reviews of our open worker's compensation liability claims to maintain up to date reserves. When we open a file, we evaluate it's perceived maximum exposure to us and reserve accordingly, always following up to either adjust upward or close it out.



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members

Caddo Parish School Board
Shreveport, Louisiana

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

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

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

Education Levels of Public School Staff (Schedule 2)

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

Number and Type of Public Schools (Schedule 3)

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

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

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

Public School Staff Data (Schedule 5)

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

Class-Size Characteristics Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of ten classes to the October 1st roll books for those classes and determined if the number of students per the roll books agreed with the schedules.

Comment: No exceptions were found as a result of applying the agreed upon procedures.

Louisiana Educational Assessment Program (LEAP) for the 21st century (Schedule 7)

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

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

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

The Iowa Tests(Schedule 9)

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

Comment: No exceptions were found as a result of applying the agreed upon procedures.

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

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

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

Monroe, Louisiana
December 22, 2006

Caddo Parish School Board
Agreed upon Procedures
(Schedule 1)

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
2005-2006

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries (1)	\$ 110,118,440	
Other Instructional Staff Activities (2)	22,814,653	
Employee Benefits (3)	46,893,897	
Purchased Professional and Technical Services (4)	283,140	
Instructional Materials and Supplies (5)	4,444,317	
Instructional Equipment (6)	221,681	
Total Teacher and Student Interaction Activities	\$ 184,776,128	

Other Instructional Activities 212,698

Pupil Support Activities	12,076,718	
Less: Equipment for Pupil Support Activities	(15,216)	
Net Pupil Support Activities	12,061,502	

Instructional Staff Services	13,428,537	
Less: Equipment for Instructional Staff Activities	(43,913)	
Net Instructional Staff Services	13,384,625	

Total General Fund Instructional Expenditures 210,222,254

Total General Fund Equipment Expenditures: 1,410,143

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	8,847,239	
Renewable Ad Valorem Tax	67,362,672	
Debt Service Ad Valorem Tax	8,976,506	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	1,566,129	
Sales and Use Taxes	66,580,568	
Total Local Taxation Revenue	153,333,113	

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	0	
Earnings from Other Real Property	0	
Total Local Earnings on Investment in Real Property	0	

State Revenue in Lieu Taxes:

Revenue Sharing - Constitutional Tax	418,815	
Revenue Sharing - Other Taxes	1,277,682	
Revenue Sharing - Excess Portion	73,528	
Other Revenue in Lieu of Taxes	0	
Total State Revenue in Lieu of Taxes	1,770,026	

State Revenue for nonpublic education:

Nonpublic Textbook revenue	0	
Nonpublic transportation revenue	100,270	
Total state revenue for nonpublic education	100,270	

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 2)

Education Levels of Public School Staff
 As of October 1, 2005

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	20	0.7%	28	14.9%	0	0.0%	0	0.0%
Bachelor's Degree	1,854	66.6%	146	77.7%	0	0.0%	0	0.0%
Master's Degree	600	21.6%	13	6.9%	53	34.0%	0	0.0%
Master's Degree +30	278	10.0%	1	0.5%	90	57.7%	0	0.0%
Specialist in Education	23	0.8%	0	0.0%	5	3.2%	0	0.0%
Ph. D. or Ed. D.	9	0.3%	0	0.0%	8	5.1%	0	0.0%
Total	2,784	100.0%	188	100.0%	156	100.0%	0	0.0%

Caddo Parish School Board
Agreed upon Procedures
(Schedule 3)

Number of Type of Public Schools
As of and for year ending June 30, 2006

TYPE	NUMBER
Elementary	46
Middle/Jr. High	11
Secondary	13
Combination	4
Total	74

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 4)

Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers
 As of and for year ending June 30, 2006

TYPE	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principal	0	0	6	19	11	14	33	83
Principal	0	0	1	3	14	11	44	73
Classroom Teachers	351	242	802	340	361	280	604	2,980
Total	351	242	809	362	386	305	681	3,136

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 5)
 Public School Staff Data: Average Salaries

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	42,934	42,524
Average Classroom Teacher's Salary Excluding Extra Compensation	42,741	42,332
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	2,853	2,789

Caddo Parish School Board
 Agreed upon Procedures.
 (Schedule 6)

Class Size Characteristics as of October 1, 2005

October 1, 2005 School Type	Class Size Range												TOTAL
	1 - 20			21 - 26			27 - 33			34+			
	Percent	Number	Number	Percent	Number	Number	Percent	Number	Number	Percent	Number		
Elementary	52.6%	7,185	3,030	58.5%	3,030	204	16.4%	204	36.5%	76	10,495		
Elementary Activity Classes	11.1%	1,511	628	12.1%	628	43	3.5%	43	15.4%	32	2,214		
Middle/Jr. High	9.7%	1,319	747	14.4%	747	310	25.0%	310	1.9%	4	2,380		
Middle/Jr. High Activity Classes	2.6%	355	102	2.0%	102	58	4.7%	58	20.7%	43	558		
High	14.9%	2,039	585	11.3%	585	579	46.6%	579	16.8%	35	3,238		
High Activity Classes	3.7%	506	24	0.5%	24	37	3.0%	37	8.2%	17	584		
Combination	4.8%	656	66	1.3%	66	11	0.9%	11	0.5%	1	734		
Combination Activity Classes	0.7%	97	1	0.0%	1	0	0.0%	0	0.0%	0	96		

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 7)
 Louisiana Educational Assessment Program (LEAP)

District Achievement Level	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 4												
Advanced	4.6%	167	2.7%	104	3.7%	131	4.0%	147	2.8%	105	2.0%	72
Mastery	17.0%	624	17.6%	670	18.6%	659	18.9%	692	13.2%	503	14.1%	500
Basic	41.9%	1,539	43.0%	1,633	37.0%	1,313	38.6%	1,416	42.6%	1,620	35.6%	1,262
Approaching Basic	21.2%	777	22.8%	866	23.3%	825	20.3%	745	20.4%	775	23.2%	824
Unsatisfactory	15.3%	563	13.9%	527	17.5%	619	18.2%	667	21.0%	799	25.0%	887
Total	100.0%	3,670	100.0%	3,800	100.0%	3,547	100.0%	3,867	100.0%	3,802	100.0%	3,545

District Achievement Level	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 4												
Advanced	3.7%	136	4.8%	182	2.2%	79	2.3%	85	1.7%	64	2.2%	77
Mastery	12.3%	452	13.1%	497	15.0%	532	12.9%	472	9.5%	361	16.2%	574
Basic	37.2%	1,363	40.1%	1,522	39.2%	1,390	45.0%	1,648	43.9%	1,666	40.1%	1,423
Approaching Basic	30.9%	1,132	31.0%	1,176	28.9%	1,023	21.3%	750	26.1%	990	21.9%	775
Unsatisfactory	15.8%	579	11.0%	419	14.7%	521	18.5%	676	18.8%	713	19.6%	696
Total	100.0%	3,662	100.0%	3,796	100.0%	3,545	100.0%	3,661	100.0%	3,794	100.0%	3,545

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 7)
 Louisiana Educational Assessment Program (LEAP)

District Achievement Level	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 8												
Advanced	3.2%	104	0.7%	23	0.6%	17	2.7%	94	1.7%	60	2.1%	69
Mastery	13.3%	439	12.7%	425	10.0%	288	3.6%	128	4.8%	165	4.6%	148
Basic	35.7%	1,175	35.2%	1,176	34.7%	1,002	39.5%	1,398	36.5%	1,267	41.0%	1,324
Approaching Basic	37.8%	1,245	34.1%	1,138	36.7%	1,060	27.9%	990	24.7%	856	24.7%	796
Unsatisfactory	10.1%	332	17.3%	579	18.0%	521	26.3%	933	32.3%	1,119	27.6%	890
Total	100.0%	3,295	100.0%	3,341	100.0%	2,888	100.0%	3,543	100.0%	3,467	100.0%	3,227

District Achievement Level	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 8												
Advanced	2.6%	83	1.7%	55	1.6%	45	1.6%	52	0.8%	25	1.1%	31
Mastery	11.3%	368	14.6%	481	15.9%	449	9.2%	300	11.9%	391	11.6%	327
Basic	32.9%	1,070	30.0%	990	29.4%	830	40.2%	1,306	39.9%	1,316	37.2%	1,044
Approaching Basic	32.6%	1,061	32.6%	1,077	27.4%	772	25.9%	841	23.1%	763	28.4%	797
Unsatisfactory	20.6%	669	21.1%	698	25.7%	726	23.1%	751	24.3%	801	21.7%	609
Total	100.0%	3,251	100.0%	3,301	100.0%	2,822	100.0%	3,250	100.0%	3,296	100.0%	2,808

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 8)
 Graduation Exit Examination (GEE)

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 10												
Advanced	2.4%	55	1.9%	48	2.7%	71	10.6%	245	8.6%	213	8.7%	233
Mastery	16.4%	379	18.1%	445	17.4%	459	14.7%	341	14.6%	362	12.5%	335
Basic	44.1%	1,017	41.6%	1,024	35.7%	943	36.1%	835	33.4%	827	31.0%	833
Approaching Basic	21.8%	504	22.9%	563	22.2%	587	17.0%	394	14.6%	362	16.6%	447
Unsatisfactory	15.3%	353	15.6%	383	22.1%	583	21.6%	501	28.8%	713	31.3%	841
Total	100.0%	2,308	100.0%	2,483	100.0%	2,843	100.0%	2,316	100.0%	2,477	100.0%	2,689

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 11												
Advanced	4.2%	94	3.8%	91	3.7%	90	1.4%	32	1.3%	30	1.3%	33
Mastery	14.2%	320	13.9%	331	16.1%	398	9.7%	220	11.8%	281	13.4%	332
Basic	34.1%	769	32.1%	762	33.5%	827	49.5%	1,120	40.8%	969	44.0%	1,086
Approaching Basic	27.2%	615	24.5%	581	26.3%	648	19.9%	450	21.4%	508	22.3%	551
Unsatisfactory	20.3%	459	25.7%	611	20.4%	502	19.5%	440	24.7%	588	18.9%	467
Total	100.0%	2,257	100.0%	2,376	100.0%	2,465	100.0%	2,262	100.0%	2,376	100.0%	2,469

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 9) Iowa and iLeap Tests

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 7								
Advanced	6%	200	4%	125	2%	75	1%	39
Mastery	12%	402	6%	210	11%	349	11%	349
Basic	39%	1,285	38%	1,253	29%	961	42%	1,385
Approaching Basic	29%	961	26%	849	35%	1,156	25%	825
Unsatisfactory	14%	451	26%	852	22%	736	21%	670
Total		3,289		3,289		3,277		3,268

District Achievement Level Results	English Language Arts 2006		Mathematics 2006	
	Percent	Number	Percent	Number
Grade 9				
Advanced	2%	76	6%	188
Mastery	13%	411	9%	292
Basic	41%	1,317	39%	1,237
Approaching Basic	29%	936	20%	650
Unsatisfactory	14%	481	25%	804
Total		3,201		3,171

Caddo Parish School Board
 Agreed upon Procedures
 (Schedule 9) Iowa and iLeap Tests

	Composite			
	2005	Percent	2004	Percent
Iowa Tests of Basic Skills (ITBS)				
Grade 3	3,225	56%	3,267	56%
Grade 5	2,746	62%	3,250	57%
Grade 6	3,498	43%	3,700	43%
Grade 7	3,473	49%	3,588	48%
Iowa Tests of Educational Development (ITED)				
Grade 9	2,772	50%	2,701	62%

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 3								
Advanced	4%	136	5%	168	4%	114	3%	87
Mastery	15%	501	14%	467	14%	445	13%	420
Basic	39%	1,279	36%	1,150	38%	1,232	42%	1,350
Approaching Basic	24%	766	24%	789	31%	1,016	24%	788
Unsatisfactory	17%	557	20%	683	13%	432	18%	588
Total		3,239		3,237		3,239		3,233

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 5								
Advanced	5%	142	7%	190	3%	97	5%	143
Mastery	17%	485	13%	368	13%	375	9%	267
Basic	41%	1,174	44%	1,266	36%	1,025	41%	1,172
Approaching Basic	25%	724	17%	493	33%	956	24%	682
Unsatisfactory	12%	347	19%	554	14%	416	21%	604
Total		2,872		2,869		2,869		2,868

District Achievement Level Results	English Language Arts 2006		Mathematics 2006		Science 2006		Social Studies 2006	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Grade 6								
Advanced	4%	142	3%	107	1%	44	6%	181
Mastery	14%	478	10%	314	12%	404	10%	320
Basic	39%	1,305	42%	1,378	34%	1,108	37%	1,212
Approaching Basic	26%	874	21%	709	34%	1,105	28%	858
Unsatisfactory	15%	509	24%	795	19%	625	21%	704
Total		3,308		3,303		3,286		3,275