

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana
Basic Financial Statements
As of and for the Year Ended June 30, 2008
With Supplemental Information Schedules

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 1/14/09

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON DAVIS PARISH SCHOOL BOARD

Jennings, Louisiana

Basic Financial Statements

As of and for the Year Ended June 30, 2008

With Supplemental Information Schedules

TABLE OF CONTENTS

	<u>Statement</u>	<u>Schedule</u>	<u>Page</u>
Independent Auditor's Report	-	-	1 - 2
Required Supplemental Informaiton			3
Management's Discussion and Analysis (MD&A)	-	-	5 - 14
Basic Financial Statements:			
Government-wide Financial Statements (GWFS):			15
Statement of Net Assets	A	-	17
Statement of Activities	B	-	18
Fund Financial Statements (FFS):			19
Governmental Funds:			
Balance Sheet	C	-	21
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	-	22
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	-	23 - 24
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activties	F	-	25
Fiduciary Funds:			
Statement of Fiduciary Net Assets	G	-	26
Notes to the Basic Financial Statements	-	-	27 - 47
Required Supplemental Informaiton			49
Budgetary Comparison Schedule- General and Budgeted Major Funds:			
General Fund	-	1	51 - 52
Notes to Budgetary Comparison Schedules	-	-	53
Supplemental Information			55
Combining Nonmajor Governmental Funds- By Fund Type:			
Combining Balance Sheet- By Fund Type	-	2	57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	-	3	58 - 59
Nonmajor Special Revenue Funds:			
Combining Balance Sheet	-	4	60 - 63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	-	5	64 - 71
Nonmajor Debt Service Funds:			
Combining Balance Sheet	-	6	72 - 73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	-	7	74 - 77
Nonmajor Capital Projects Funds:			
Combining Balance Sheet	-	8	78 - 79
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	-	9	80 - 83

JEFFERSON DAVIS PARISH SCHOOL BOARD

Jennings, Louisiana

Basic Financial Statements

As of and for the Year Ended June 30, 2008

With Supplemental Information Schedules

TABLE OF CONTENTS

	<u>Statement</u>	<u>Schedule</u>	<u>Page</u>
Agency Funds:			
Combining Balance Sheet	-	10	84
Schedule of Changes in Deposits Due Others- School Activity Funds	-	11-1	85
Schedule of Changes in Deposits Due Others- Sales and Use Tax Fund	-	11-2	86
Information Required by State of Louisiana:			
Schedule of Compensation and Other Expenses Paid to School Board Members	-	12	87
Other Reports:			
Schedule of Expenditures of Federal Awards	-	13	88
Notes to Schedule of Expenditures of Federal Awards	-	-	89
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	-	-	91 - 92
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	-	-	93 - 94
Schedule of Findings and Questioned Costs	-	-	95 - 97
Management's Corrective Actions Plan for Current Year Audit Findings	-	-	98
Management's Status of Prior Year Audit Findings	-	-	99

Mike B. Gillespie, CPA

(A Professional Accounting Corporation)

414 East Nezpique Street
PO Box 1347, Jennings, LA 70546
Phone (337) 824-7773

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Jefferson Davis Parish School Board
Jennings, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Davis Parish School Board (School Board), as of and for the year ended June 30, 2008, 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 School Board's management. Our responsibility is to express an opinion 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 School Board, as of June 30, 2008, 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 our report dated December 17, 2008, 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 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 budgetary comparison information on pages 4 through 13 and 46 through 48, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the

methods of measurement and presentation of the 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 School Board's basic financial statements. The supplemental information section which includes the combining and individual nonmajor fund financial statements, and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the School Board. The combining and individual nonmajor fund financial statements, the other supplemental information schedules, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mike B. Gillespie, CPA, APAC

Jennings, Louisiana
December 17, 2008

REQUIRED SUPPLEMENTAL INFORMATION

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

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

The Management's Discussion and Analysis (MD&A) of the Jefferson Davis Parish School Board is intended to provide both an overview and review of the School Board's financial activities for the fiscal year ended June 30, 2008. The intent of the MD&A is to provide a meaningful discussion to interested financial statement users of the School Board's overall financial performance taken as a whole. Therefore, it should be read in conjunction with the School Board's financial statements, the notes to the financial statements, and any related supplementary information.

The MD&A is an element of the required supplementary information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* that was issued in June 1999. Certain comparative information between the current fiscal year (2007-2008) and the prior fiscal year (2006-2007) is required to be presented in the MD&A, and it is shown in the accompanying discussion.

Financial Highlights For The 2007-2008 Fiscal Year

- Net assets increased by \$4,596 for the fiscal year ended June 30, 2008. At June 30, 2008, the School Board's total net assets are \$38,272,984.
- The total net change in fund balance for the School Board was an increase of \$1,146,684 that was comprised of the following:

Increase in General Fund	\$ 709,550
Increase in all other governmental funds	<u>437,134</u>
Net increase in total fund balance	<u>\$ 1,146,684</u>

- Sales taxes collected for the General Fund increased by approximately 8.0 % during the 2007-2008 fiscal year as compared to the previous year. The total 07-08 sales taxes collected for the General Fund was \$9,051,174 compared to \$8,383,548 collected the previous year. The primary reasons for the increase were the increased oil and gas exploration in the parish due to the significant rise in oil prices, increased construction activity in the Jennings and Lacassine areas, and an increase in automotive sales. The combined effect of these factors resulted in total sales taxes exceeding \$9 million for the first time.
- Ad valorem taxes collected for the General Fund showed a good increase of approximately 6.2 % during 2007-2008.
- Sales taxes and ad valorem taxes collected for debt service by the School Board rose 7.2% compared to what was collected the previous year.
- The largest single revenue source continues to be the Minimum Foundation Program (MFP) distribution from the State, which was approximately \$33.4 million for this fiscal

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

year, which is an increase in funding of \$3.6 million from the previous year. The MFP funding calculation is based to a large extent upon the verified student enrollment in existence at October 1 times an applied per pupil contribution amount. The adjusted base per pupil contribution for the 2007-2008 fiscal year was \$3,752 per student, up from a per student contribution of \$3,652 for the 2006-2007 fiscal year.

- By requirement of state law, a school district has to dedicate at least half of any MFP growth funds received for the fiscal year to certificated pay raises (those positions requiring a Louisiana teaching certificate) if the average teacher salary of the district is less than the Southern Region Education Board (SREB) teacher salary average. "MFP growth funds" are defined as the excess of Level 1 and Level 2 MFP funding received in the current year over that received in the prior year. The School Board was not required to use any MFP growth funds because its teacher salary average was over the SREB average. However, they still chose to allocate \$1,125 per certificated teaching position from MFP growth funds.
- The School Board received a significant amount of funds from federal grant programs. The School Food Service/Child Nutrition program received approximately \$1.85 million in federal funds during 2007-2008. Title I, a program to assist the education of economically disadvantaged children, received approximately \$1.7 million during the same time period. The School Board also received federal special education funds through the IDEA program of about \$1.47 million. Other federal grants received during the year target such areas as the education of migrant children, teacher training and hiring, technology acquisition and development, vocational education, hurricane recovery, and adult education.

Using This Annual Financial Report

This annual financial report consists of a series of financial statements and the associated notes to those statements. These statements are organized so that the reader can understand the operations of the School Board as an entire operating entity. The Basic Financial Statements Section, consisting of the Statement of Net Assets and the Statement of Activities (see pages 17 and 18), provide highly consolidated financial information for the entire School Board taken as a whole. The Statement of Net Assets and the Statement of Activities present an aggregate view of the School Board's financial position, and they seek to answer the question, "Is the School Board as a whole better off or worse off as a result of last year's activities?" These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the basis of accounting used by most private-sector entities. All of the revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the School Board's net assets and changes in them. You can think of the School Board's net assets, which is the difference between the assets and liabilities, as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets are one

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors, such as changes in the property or sales tax base within Jefferson Davis Parish, the maintenance needs and condition of the School Board's facilities, the cost of unfunded mandates passed onto the School Board, and other external factors of this nature in order to assess the overall financial health of the School Board.

The School Board's educational mission is defined as "governmental activities" in the Statement of Net Assets and the Statement of Activities. In this context, "governmental activities" represent the basic functions of the School Board, including all instructional services, support services, and child nutrition programs. These activities are primarily financed through state MFP funding, other federal and state grants, and local sales and property taxes.

The next section of the annual report is the Fund Financial Statements section, beginning on page 19 that provides a more in-depth reporting of the School Board's financial position and results of operations of the most significant funds – not the School Board as a whole. Some funds are required to be established by State law and some by bond covenants. Other funds are established to show that the School Board is meeting its legal responsibilities for the specific uses of certain taxes, grants, and other such monies. These statements as presented should be familiar to those who have read published governmental financial statements published in previous years.

The Fund Financial Statements segregate the School Board's operations into two types of funds, governmental funds and fiduciary funds. Governmental funds are established to account for most of the School Board's basic services, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported under the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the educational services that it provides. These statements indicate the sources and uses of funds, as well as those resources available for spending in future years. The relationship between *governmental activities*, as shown in the Statement of Net Assets and Statement of Activities, and *governmental funds* is described in a reconciliation schedule (see Statement D) in the Fund Financial Statements section.

The School Board is the trustee, or fiduciary, for the Jefferson Davis Parish sales tax collections and the school activity funds. The School Board serves as the sales tax collector for Jefferson Davis Parish and maintains sales tax collections that are due to the other taxing districts located in the parish. Also, the School Board's thirteen schools have their own operating funds that are held in trust for the operations of the schools. The Fiduciary Funds Statement of Net Assets (see Statement G) provides some information as to the amount of funds held in trust. More detail of the specific amount of funds held in trust by the sales tax collection department and the schools is provided in Schedules 10, 11-1, and 11-2 on pages 84-86.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

The School Board As A Whole

The total net assets of the School Board as of June 30, 2008 (as stated on the Statement of Net Assets, Statement A on page 17) were \$38.3 million, which is virtually unchanged compared to the previous year. The makeup of this amount is summarized below in Table 1.

Table 1
Net Assets of the Jefferson Davis Parish School Board
June 30, 2008 and June 30, 2007
(in millions)

	Governmental Activities at	
	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Current and other assets	\$ 37.3	\$ 35.7
Capital assets	<u>43.8</u>	<u>46.0</u>
Total assets	<u>81.1</u>	<u>81.7</u>
Long-term debt outstanding	(33.6)	(34.6)
Other liabilities	<u>(9.2)</u>	<u>(8.8)</u>
Total liabilities	<u>(42.8)</u>	<u>(43.4)</u>
Net assets:		
Invested in capital assets, net of debt	14.6	15.5
Restricted	4.9	4.3
Unrestricted	<u>18.8</u>	<u>18.5</u>
Total net assets	<u>\$ 38.3</u>	<u>\$ 38.3</u>

Fluctuations in the amount of net assets during 2007-2008 are considered to be normal and are explained in Table 2. As reported in the Statement of Activities (Statement B on page 18), the School Board's net did not significantly change during the fiscal year ended June 30, 2008 (which is summarized in Table 2).

Table 2
Changes in Net Assets of the Jefferson Davis Parish School Board
Fiscal Years Ended June 30, 2008 and June 30, 2007
(in millions)

	Governmental Activities at	
	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Revenues		
Program Revenues:		
Charges for services	\$ 0.9	\$ 0.9
Operating grants and other contributions	8.7	7.5
General Revenues:		
Property taxes	6.2	5.9
Sales taxes	10.5	9.6
Other taxes	0.3	0.3

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

State minimum foundation funding (MFP)	33.4	29.8
Interest and investment earnings	1.1	1.6
Miscellaneous	1.0	1.4
Total revenues	<u>\$ 62.1</u>	<u>\$ 57.0</u>
Program Expenses		
Instructional services	34.2	29.7
Support services	20.9	18.8
Non-instructional services	4.3	3.8
Interest on long-term debt	1.4	1.6
Depreciation expense not included above	1.3	1.2
Total expenses	<u>\$ 62.1</u>	<u>\$ 55.1</u>
Increase (decrease) in net assets	<u>\$ 0.0</u>	<u>\$ 1.9</u>
Net assets, beginning balance	<u>38.3</u>	<u>36.4</u>
Net assets, ending balance	<u><u>\$ 38.3</u></u>	<u><u>\$ 38.3</u></u>

Explanations of significant differences are as follows:

- The School Board received additional MFP funds from the State of \$3.5 million 2007-2008, principally due to additional funding for salary/benefit increases and instructional matters.
- Operating grants and other contributions increased \$1.2 million principally due the establishment of the Cecil Picard LA-4 Pre Kindergarten program that received approximately \$1.0 million in funding.
- Sales taxes collected increased \$0.9 million due to the increase in oil and exploration activity along with an increase in automotive sales.
- Interest income declined \$0.5 million due to the overall decline in interest rates nationwide.
- Instructional services expenses increased \$4.5 million and support services expenses increased \$2.1 million over the previous year due to the cost of increased salaries and benefits paid to employees that are classified within each section, the establishment of the LA-4 Pre-Kindergarten program, and the completion of 2005 hurricane-related repairs.

All other fluctuations in revenues and expenses shown in Table 2 between the 2007-2008 and the 2006-2007 fiscal years are considered normal in scope and nature.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

Table 3
Changes in Total Cost and Net Cost of Governmental Activities
of the Jefferson Davis Parish School Board
Fiscal Years Ended June 30, 2008 and June 30, 2007
(in millions)

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>06/30/08</u>	<u>06/30/07</u>	<u>06/30/08</u>	<u>06/30/07</u>
Regular education programs	\$ 22.2	\$ 18.6	\$ 21.4	\$ 18.2
Special education programs	6.1	6.4	5.0	5.2
All other instructional programs	5.8	4.7	2.5	2.4
Instructional staff support services	2.9	2.9	2.0	1.8
School administrative services	3.6	3.3	3.6	3.2
Plant operations and maintenance	6.6	5.5	6.5	5.2
Student transportation services	2.6	2.4	2.6	2.4
School food and nutrition services	4.2	3.7	1.7	1.4
Interest on long-term debt	1.4	1.6	1.4	1.6
All other programs and services	6.6	6.0	5.7	5.3
Totals	<u>\$ 62.0</u>	<u>\$ 55.1</u>	<u>\$ 52.4</u>	<u>\$ 46.7</u>

Table 3 presents both the total cost of each of the School Board's largest categories of expenses and their related net cost (total cost less revenues generated by the activities) for both the 2007-2008 and 2006-2007 fiscal years. The presentation of the net cost shows the financial burden that was placed on the School Board's taxpayers by these functions. As reported in the Statement of Activities, the total cost of the School Board's governmental activities was \$62.0 million in fiscal year 2007-2008, however, not all of this cost was borne by the parish taxpayers. Of this amount, \$0.9 million was paid by those who used or benefited from the services rendered (for example, charges for school lunches and summer school tuition), and \$8.7 million of the cost of services was financed from federal and state grants. As a result, the taxpayers of Jefferson Davis Parish paid a net cost of \$52.4 million for K-12 public education services during fiscal year 2007-2008.

The principal reasons for cost increases from the 2006-2007 to the 2007-2008 fiscal year were the increases in employee salaries and benefits, the influx of a significant amount of grant funds for new educational programs, and costs associated with the hurricane recovery effort that were previously discussed in this MD&A.

The School Board's Funds

The School Board uses funds to control and manage money for particular purposes, such as dedicated expenditures of taxes or grant programs. The fund financial statements contained in this annual report allow the School Board to demonstrate its stewardship and control of resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the overall financial health of the School Board.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

The School Board ended its fiscal year on June 30, 2008 with a total combined fund balance of \$28.3 million. Table 4 provides a summary of the makeup of the \$28.3 million by fund category:

Table 4
Summary of Fund Balances of the Jefferson Davis Parish School Board
Fiscal Year Ended June 30, 2008
(in millions)

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total All Funds</u>
Reserved	\$ 1.1	\$ 0.1	\$ 0.0	\$ 3.9	\$ 5.1
Unreserved:					
Designated	10.7	0.0	0.0	0.0	10.7
Undesignated	<u>10.9</u>	<u>1.2</u>	<u>0.4</u>	<u>0.0</u>	<u>12.5</u>
Totals	<u>\$ 22.7</u>	<u>\$ 1.3</u>	<u>\$ 0.4</u>	<u>\$ 3.9</u>	<u>\$ 28.3</u>

The fund balance in the Capital Projects Funds represents the excess of funding received from bond sales over the amount of construction expenditures incurred to date. The districts with residual capital projects fund balance are School District # 1 (Lake Arthur) and School District # 3 (Hathaway).

General Fund Budgetary Highlights

Over the course of the year, the School Board revises its budget to take into consideration any significant changes in revenues or expenditures. Louisiana Revised Statute 36:1311 requires a budget amendment if either expected revenues are less than budgetary goals by 5% or more or if anticipated expenditures are greater than budgetary goals by 5% or more. The School Board adopted the original budget on August 16, 2007. The first budget revision was adopted in March 2008 after final funding figures were received from the state. The final budget revision was adopted on June 19, 2008.

Schedule I, on pages 51 and 52 of this annual report, shows the School Board's original and final budgets compared with the actual operating results. The School Board did much better in its General Fund than what was originally budgeted. The School Board utilizes conservative budgeting practices in establishing its original budget. Revenues are forecasted at safe, conservative levels while expenditures are budgeted with worst-case scenarios in mind. In particular, the School Board utilizes a strict staffing formula whereby salaried positions are eliminated with declines in the amount of students, which causes a drop in state funding. This is done to ensure that the original budget of the School Board will be able to sustain its needed level of operations with anticipated available resources whose existence can be established with a reasonable amount of certainty.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

A comparison of the final budget revision with the actual operating results shows that the School Board did better than budgeted. Approximately \$0.5 million was received in MFP equalization fund other state restricted grants. The difference between final budgeted expenditures and actual expenditures was a negligible amount. The excess of revenues over expenditures in the General Fund was approximately \$0.7 million which was not affected by variances in the Other Financing Sources (Uses) section of the budget. The net change in fund balance of \$0.7 million will be absorbed into the beginning General Fund Balance for the 2008-2009 fiscal year.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2008, the School Board had invested approximately \$46.0 million (net of accumulated depreciation) in a variety of capital assets, including land, buildings, furniture, vehicles, computers, and other such items. Table 5, shown below, summarizes the capital asset activity for the current and previous fiscal years.

Table 5
Balance in Capital Assets (net of depreciation)
of the Jefferson Davis Parish School Board
June 30, 2008 and 2007
(in millions)

	<u>2008</u>	<u>2007</u>
Land	\$ 1.7	\$ 1.5
Construction in Progress	0.0	0.3
Buildings	40.7	41.4
Furniture and equipment	0.7	1.9
Vehicles	<u>0.7</u>	<u>0.9</u>
Totals	<u>\$ 43.8</u>	<u>\$ 46.0</u>

The decrease in Furniture and Equipment was caused by the adoption of new capitalization threshold for this category of \$5,000 per item. The change was done to equal the state and federal capitalization thresholds.

Debt

At year-end, the School Board had \$33.7 million in long-term debt outstanding versus \$34.6 million last year. This is a 2.6 % decrease over the previous year, which is illustrated in Table 6 below:

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

Table 6
Outstanding Debt at Year-End of the Jefferson Davis Parish School Board
June 30, 2008 and 2007
(in millions)

	<u>2008</u>	<u>2007</u>
General obligation bonds	\$ 30.7	\$ 32.2
Compensated absences	<u>3.0</u>	<u>2.4</u>
Totals	<u>\$ 33.7</u>	<u>\$ 34.6</u>

No new bond issues were sold or refinanced. The increase in compensated absences was caused by the salary increases given in the fiscal year.

Economic Factors And Next Year's Budget

Jefferson Davis Parish is a rural community without much in the way of an industrial or business tax base. As a result, there has been a slow and steady decline in the student population over the last ten years, predominately caused by a lack of jobs for workers in the area. A drop in the number of students means a decline in the amount of funds received from the State through its MFP funding plan. Fortunately, the State has steadily increased its per pupil funding level over the last several years which has offset the loss of income due to the decline in students. In addition, the School Board adopted a staffing formula for its school system in which the number of professional and support employees at each location is largely determined by the student count. By the terms of the staffing formula, a decrease in the number of students triggers a reduction in the number of employee positions, and vice versa should there be an increase in a school's student count. This staffing formula is largely responsible for keeping the General Fund in sound financial condition as it allows the School Board to control the amount of spending for employee salaries and benefits, which comprises approximately 87% of its total budget.

The aftereffects of the 2005 hurricane season on sales taxes still linger, but the boom in oil and natural gas exploration caused by the climbing price of oil on the futures market caused sales and use taxes to grow at pace much higher than originally anticipated through the end of the 2007-2008 year. Unfortunately, the price of oil has declined dramatically in the first few months of the 2008-2009 fiscal year. This provides both good news and bad news for the School Board. The good news is the cost of electricity and diesel fuel should generate some unanticipated budget savings for the current year. The bad news is that the state's revenues are dependent on severance taxes from oil and natural gas extraction. The rapid decline in the state's revenue forecast during the first six months of 2008-2009 will trigger a call for significant budget cuts in all state agencies, including public education, in the current year as well as for 2009-2010. At this time, the impact is expected to be easily absorbed by the current fund balance and should not have a real effect on the School Board's ability to deliver the current level of services to its students.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008

The national economic recession will also have a significant impact on the financial outlook of the School Board for the next few years. Interest rates are significantly down so far in 2008-2009, thereby causing a drop in forecasted interest revenues from investments. Sales taxes derived from automotive sales have dropped significantly within the last few months. This also can be attributed to the gloomy economic forecast. The southwestern Louisiana economy is not expected to be hurt as badly as other parts of the nation. Nonetheless, the recession's impact will be felt, and it is hard to predict how much or for how long the School Board's budget will be affected.

Regardless of the effects of the recession, the sales tax base in the parish is expected to show slow to moderate growth in the immediate future due to the culmination of several parish-wide projects that are forecasted to provide a boost to economic development within the parish. The Lacassine industrial complex expansions and several new business construction projects within the business district of Jennings should combine to cause a slow to moderate growth in the local economy, thereby increasing the sales tax base for future years.

Increased employee benefits costs passed on to the School Board without additional funding from the state also have continued to put a damper on our economic outlook. Employer retirement contribution rates for the various employee retirement systems continue to rise along with such big-ticket costs as group health insurance premiums, property insurance, general liability insurance, etc. These factors alone will cause the School Board's General Fund to absorb a substantial increase in its 2008-2009 budget. The School Board is actively pursuing cost-saving measures to cope with these financial burdens.

Contacting The School Board's Financial Management

This annual report is designed to provide a general overview of the School Board's financial condition and operations. However, citizen groups, taxpayers, parents, students, other parish officials, investors, and creditors may desire to obtain additional details. Please either write the Director of Finance at the Jefferson Davis Parish School Board Central Office at P. O. Box 640, Jennings, Louisiana 70546 or call at (337) 824-1834 during normal business hours should you require any additional information about the material contained in this annual report.

BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON DAVIS PARISH SCHOOL BOARD
Statement of Net Assets
June 30, 2008

Statement A

ASSETS

Cash and interest-bearing accounts	\$ 20,912,472
Restricted cash and interest-bearing accounts	573,250
Investments	11,223,663
Receivables, net	3,211,784
Inventory	1,055,834
Prepaid items	8,000
Deferred charges, net	323,934
Capital assets:	
Land and construction in progress	1,652,350
Exhaustible capital assets, net of depreciation	42,145,818

TOTAL ASSETS

81,107,105

LIABILITIES

Accounts payable	1,295,432
Contracts payable	12,229
Payroll deductions, withholdings, and accrued salaries payable	6,167,204
Interest payable	454,317
Deposits due others	20,255
Deferred revenue	1,232,862
Long-term liabilities:	
Due within one year	2,263,178
Due in more than one year	31,388,644

TOTAL LIABILITIES

42,834,121

NET ASSETS

Invested in capital assets, net of related debt	14,628,316
Restricted for:	
Debt service	3,440,868
Capital projects	154,968
Maintenance	977,919
School food service	320,625
Unrestricted	18,750,288

TOTAL NET ASSETS

\$ 38,272,984

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Statement of Activities
For the Year Ended June 30, 2008

Statement B

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
FUNCTIONS/PROGRAMS				
Governmental activities:				
Instruction:				
Regular programs	\$ 22,240,271	\$ 102,808	\$ 745,461	\$ (21,392,002)
Special education programs	6,105,602		1,140,912	(4,964,690)
Vocational programs	1,638,494		91,494	(1,547,000)
All other instructional programs	4,168,837	33,400	3,173,048	(962,389)
Support services:				
Student services	2,730,988		298,613	(2,432,375)
Instructional staff support	2,923,428		910,373	(2,013,055)
General administration	1,346,550	207,784	14,584	(1,124,182)
School administration	3,579,436		12,287	(3,567,149)
Business services	691,623		41,432	(650,191)
Plant operation and maintenance	6,546,558		83,424	(6,463,134)
Student transportation services	2,590,870	13,882	14,720	(2,562,268)
Central services	453,811		182,117	(271,694)
Non-instructional services:				
Food services	4,231,811	589,410	1,914,940	(1,727,461)
Community service programs	40,108			(40,108)
Intergovernmental	50,519		50,519	-
Interest on long-term debt	1,425,130			(1,425,130)
Depreciation expense not included in other functions	1,280,642			(1,280,642)
Total Governmental Activities	62,044,678	947,284	8,673,924	(52,423,470)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				2,346,015
Property taxes, levied for debt service				2,224,198
Property taxes, levied for building and repair				1,594,210
Sales taxes, levied for general purposes				9,051,174
Sales taxes, levied for debt service				1,409,202
State revenue sharing				300,500
Grants and contributions not restricted to specific purposes:				
State source: Minimum foundation program net of restricted				
School Lunch Program Revenue portion of \$43,747				33,416,436
Interest and investment earnings				1,112,817
Insurance proceeds due to hurricane				298,087
Miscellaneous				675,427
Total general revenues				52,428,066
Changes in net assets				4,596
Net assets -beginning				38,268,388
Net assets -ending				\$ 38,272,984

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON DAVIS PARISH SCHOOL BOARD
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

Statement C

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and interest-bearing accounts	\$ 15,531,608	\$ 5,380,864	\$ 20,912,472
Restricted cash & interest-bearing accounts	-	573,250	573,250
Investments	11,223,663	-	11,223,663
Receivables	1,895,647	1,316,137	3,211,784
Interfund receivables	919,058	50,000	969,058
Inventory	894,584	161,250	1,055,834
Prepaid items	8,000	-	8,000
TOTAL ASSETS	<u>30,472,560</u>	<u>7,481,501</u>	<u>37,954,061</u>
LIABILITIES AND FUND BALANCES			
Accounts payable	1,051,990	243,442	1,295,432
Contracts payable	12,229	-	12,229
Payroll deductions, withholdings, and accrued salaries payable	5,502,481	664,723	6,167,204
Interfund payables	50,000	919,058	969,058
Deposits due others	-	20,255	20,255
Deferred revenue	1,205,107	27,755	1,232,862
Total Liabilities	<u>7,821,807</u>	<u>1,875,233</u>	<u>9,697,040</u>
FUND BALANCES			
Reserved	1,029,391	4,028,680	5,058,071
Unreserved:			
Designated	10,706,748	-	10,706,748
Undesignated reported in:			
General fund	10,914,614	-	10,914,614
Special revenue funds		1,165,049	1,165,049
Debt service funds		-	-
Capital projects funds		412,539	412,539
Total Fund Balances	<u>22,650,753</u>	<u>5,606,268</u>	<u>28,257,021</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 30,472,560</u>	<u>\$ 7,481,501</u>	<u>\$ 37,954,061</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2008

Statement D

Total Ending Fund Balances - Governmental Funds (Statement C) \$ 28,257,021

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Costs of capital assets	74,012,184	
Accumulated depreciation	<u>(30,214,016)</u>	43,798,168

Bond issue costs are not financial resources and therefore are not reported as assets in governmental funds.

Bond issue costs	449,657	
Accumulated amortization	<u>(125,723)</u>	323,934

Deferred charges on bond refundings are not financial resources and therefore are not reported as assets in governmental funds.

Deferred charges on bond refundings	390,486	
Accumulated amortization	<u>(74,190)</u>	316,296

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Bonds payable	31,034,000	
Interest payable	454,317	
Compensated absences payable (sick leave and vacations)	<u>2,934,118</u>	(34,422,435)

Net Assets (Statement A) \$ 38,272,984

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

Statement E
(Continued)

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem taxes	\$ 2,208,868	\$ 3,818,408	\$ 6,027,276
Sales and use taxes	9,051,174	1,409,202	10,460,376
Parish contribution to retirement fund	137,147	-	137,147
Collection fees from municipalities	207,784	-	207,784
Tuition	136,208	-	136,208
Interest earnings	906,047	182,277	1,088,324
Food services	-	589,410	589,410
Other local revenue	619,483	14,008	633,491
State sources:			
Equalization	32,080,183	1,380,000	33,460,183
Restricted grants-in-aid	2,484,577	-	2,484,577
Revenue sharing	216,890	83,610	300,500
Other state revenues	8,891	-	8,891
Federal sources	-	6,209,035	6,209,035
Total Revenues	<u>48,057,252</u>	<u>13,685,950</u>	<u>61,743,202</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	21,400,124	474,995	21,875,119
Special education programs	4,893,917	1,098,051	5,991,968
Vocational programs	1,505,771	89,280	1,595,051
All other instructional programs	2,440,858	1,607,356	4,048,214
Support services:			
Student services	2,448,721	256,446	2,705,167
Instructional staff support	2,026,165	787,848	2,814,013
General administration	1,210,612	126,204	1,336,816
School administration	3,414,616	55,245	3,469,861
Business services	659,521	-	659,521
Plant operation and maintenance	4,832,486	1,209,819	6,042,305
Student transportation services	2,399,902	15,250	2,415,152
Central services	269,674	154,355	424,029
Non-instructional services:			
Food services	321,061	3,827,791	4,148,852
Community service programs	40,108	-	40,108
Intergovernmental	-	50,519	50,519
Facilities acquisition and construction	70,372	250,074	320,446
Debt service:			
Principal retirement	-	1,500,000	1,500,000
Interest	-	1,459,801	1,459,801
Bond issuance and other costs	-	8,049	8,049
Total expenditures	<u>47,933,908</u>	<u>12,971,083</u>	<u>60,904,991</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

Statement E
(Concluded)

	<u>General</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>123,344</u>	<u>714,867</u>	<u>838,211</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	67,958	55,000	122,958
Operating transfers out	(15,000)	(107,958)	(122,958)
Indirect costs	227,176	(227,176)	-
Proceeds from sale of bonds	-	-	-
Refunding bonds issued	-	-	-
Payment to bond refunding escrow agent	-	-	-
Proceeds from hurricane damages	298,087	-	298,087
Proceeds from sale of fixed assets	7,985	2,401	10,386
Total other financing sources (uses)	<u>586,206</u>	<u>(277,733)</u>	<u>308,473</u>
NET CHANGES IN FUND BALANCES	709,550	437,134	1,146,684
FUND BALANCES BEGINNING OF YEAR	<u>21,941,203</u>	<u>5,169,134</u>	<u>27,110,337</u>
FUND BALANCES END OF YEAR	<u>\$ 22,650,753</u>	<u>\$ 5,606,268</u>	<u>\$ 28,257,021</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2008

Statement F

Total Net Change in Fund Balances - Governmental Funds (Statement E) \$ 1,146,684

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

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

Depreciation expense	(1,490,720)	
Capital outlays	<u>582,996</u>	(907,724)

The net effect of various transactions involving capital assets (ie., sales, trade-ins, adjustments, and contributions) is to decrease net assets (1,278,005)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. The amount by which proceeds exceeded repayments was derived as follows:

General obligation debt repayments to bondholders	<u>1,500,000</u>	1,500,000
---------------------------------------------------	------------------	-----------

In the statement of activities, certain operating expenses - compensated absences (sick leave and vacations) - 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, sick leave and vacation pay earned exceeded the amounts used as follows:

Compensated absences used / paid	608,839	
Compensated absences earned	<u>(1,099,869)</u>	(491,030)

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. The additional interest reported in the statement of activities is the net result of two factors as follows:

Decrease (Increase) in accrued interest payable	86,494	
Amortization of bond issue cost and deferred charges on refundings	<u>(51,823)</u>	34,671

Change in Net Assets of Governmental Activities (Statement B) \$ 4,596

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
FIDUCIARY FUNDS
Statement of Fiduciary Net Assets
June 30, 2008**

Statement G

	<u>Total Agency Funds</u>
ASSETS	
Cash and interest-bearing accounts	\$ 1,753,085
Non-negotiable certificates of deposits	296,091
TOTAL ASSETS	\$ <u>2,049,176</u>
LIABILITIES	
Due to other governments	\$ 1,005,866
Deposits due others	1,043,310
TOTAL LIABILITIES	\$ <u>2,049,176</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON DAVIS PARISH SCHOOL BOARD NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

The Jefferson Davis Parish School Board (the School Board) was created by Louisiana Revised Statute (R.S.) 17:51 to provide public education for the children within Jefferson Davis Parish. The School Board is authorized by 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 13 members who are elected from 13 districts for terms of four years.

The school system is comprised of a central office, 14 schools, and 4 educational support facilities (Lunch Service Warehouse, Media Center, Pupil Appraisal Center, and Technology & Maintenance Center). Enrollment as of May, 2008 was approximately 5,912 regular and special education students. The School Board employs approximately 850 people, providing instructional and ancillary support such as general administration, repair and maintenance, food services, bus transportation, etc. The regular school term normally begins in late August and ends in late May.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of GASB Statement 14, 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. As used in GASB Statement No. 14, 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. Based on the criteria of GASB Statement 14, the School Board has no *component units*, defined as other legally separate organizations for which the elected School Board members are financially accountable, which are required to be included in the accompanying financial statements.

B. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (GWFS) report information on all of the nonfiduciary activities of the School Board. For the most part, the effect of interfund activity has been removed from these statements.

The statement of net assets presents information on all of the School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense which can be specifically identified by function is included in the direct expense of each function. The School Board reports all building depreciation separately as an unallocated indirect expense since most of the buildings serve more than just a few functions. Interest on long-term bonded debt is considered an indirect expense and is reported separately on the statement of activities. Program revenues include 1) charges to customers

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate fund financial statements (FFS) are provided for governmental funds and fiduciary funds, even though the latter are excluded from the GWFS. Major individual governmental funds are reported as separate columns in the fund financial statements. The accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The various funds are summarized by type in the financial statements. The following fund types are used by the School Board:

Governmental Funds. Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use, and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The School Board reports the following major governmental funds:

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

Additionally the School Board reports nonmajor funds in the following fund types:

Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds – are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. These funds receive dedicated ad valorem taxes and a dedicated portion of sales taxes paid to the School Board.

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

Fiduciary Funds. Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

Agency Funds – The Agency Funds are used to account for assets held by the School Board as an agent for other parties. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The *School Activity Agency Fund* accounts for monies collected by students and school personnel for school or school-related purposes and the *Sales and Use Tax Agency Fund* accounts for the collection of sales and use taxes, which are accumulated and distributed monthly for several other governmental agencies, the General Fund, and the Sales Tax District No. 1 Debt Service Fund.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

C. Basis of Accounting and Measurement Focus

Government-Wide Financial Statements (GWFS)

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 requirement of GASB Statement 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

Fund Financial Statements (FFS)

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

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) are maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., when both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose the School Board considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period.

Revenues which are susceptible to accrual are ad valorem taxes, sales taxes and investment income. Food services and miscellaneous other revenues are recorded as revenues when earned. 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. For other intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. In reimbursement-type programs, monies must be expended on a specific purpose or project before any amounts will be paid to the School Board; therefore, revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements, the resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is the principal and interest on general long-term debt which is recognized when due. As of year end, all instructional related salaries for July and August related to nine-month contracted employees who are paid over twelve months have been accrued because the salaries have been earned but not paid.

Compensated absences are recognized as expenditures when the benefit earned by the employee has matured. The matured liability for compensated absences, which includes salary and salary related payments, is reported in the associated fund.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

D. Cash and Interest-bearing Deposits

Cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the School Board. Under state law and under Board's deposit policy, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. Investments

Investments are limited by R.S. 33:2955 and the Board's investment policy. The Board's investment policy allows funds which are available for investment and above immediate cash requirements to be invested in statutorily sanctioned investments including direct U.S. Treasury obligations, bonds, debentures, notes issued by or guaranteed by federal agencies, or certificates, or time certificates of deposit in any bank domiciled or having a branch office in Louisiana or any other federally insured investment. Statutorily sanctioned investments also include funds invested with external local government investment pools such as Louisiana Asset Management Pool and the Louisiana State Treasury's Education Excellence Fund. Investments of the Board shall be guided by the following:

- 1) Cash management and investment activities shall be conducted in a manner consistent with prudent business practices applied by governmental entities and shall be in compliance with applicable statutes.
- 2) Funds as determined by the chief financial officer to be in excess of immediate cash requirements shall be invested only in statutorily permitted obligations.
- 3) Appropriate emphasis in making any investment shall be as follows: a.) first priority shall be to ensure safety of the principal amount. b.) second priority shall be to ensure liquidity of funds to meet all obligations of the Board. c.) third priority shall be the yield of investments.

When investments are present in the financial statements they are reflected at fair value except for the following which are permitted per GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*:

- 1) Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure. Interest-earning investment contracts include time deposits with financial institutions (such certificates of deposit), repurchase agreements, and guaranteed investment contracts.
- 2) Money-market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

F. Short-term Interfund Receivables /Payables

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

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

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 FFS were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

H. Inventories

Inventories in the General Fund consist of materials and supplies. Inventory of the School Lunch 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. In the FFS and GWFS inventories of governmental funds are accounted for using the consumption method in which expenditures are recognized as inventory is used. Unused commodities at June 30th are reported as deferred revenues. 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 or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded in the GWFS, but not in the FFS, at their estimated fair value at the date of donation. Effective July 1, 2007 the School Board increased the threshold level for capitalization from \$1,000 to \$5,000. As a result, all assets under that amount were written off as adjustments totaling \$1,231,754 and reported as additional depreciation expense in the governmental-wide financial statements as a change in accounting estimate. Capital assets are reported in the GWFS, but not reported in the FFS, since they do not represent available current resources. Estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Straight-line depreciation is calculated based on the following estimated useful lives:

Buildings	25-50 years
Furniture and equipment	5-20 years
Vehicles	8 years

The School Board does not possess any material amounts of infrastructure capital assets, such as roads and bridges.

J. Deferred Revenue

Deferred revenues represent monies that have been received before the incurrence of eligibility requirements necessary for revenue recognition. In subsequent periods, when the School Board has met established eligibility requirements, the liability for deferred revenues is removed from the balance sheet and revenue is recognized. The following is a summary of deferred revenues at year end:

	General Fund	Other Nonmajor Governmental	Total
State Education Excellence Funds	\$ 1,205,107	\$ -	\$ 1,205,107
Unused commodity inventory -USDA	-	27,755	27,755
	<u>\$ 1,205,107</u>	<u>\$ 27,755</u>	<u>\$ 1,232,862</u>

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

K. Compensated Absences

The Board has the following policies relating to vacation, sick, and sabbatical leave:

- 1) Vacation – Professional employees on a twelve month basis who have been in the parish system for ten or more calendar years, earn a three week vacation each calendar year, subject to approval by the Superintendent. All other twelve month professional employees are eligible for a two week vacation, provided they have been employed in the system for at least one calendar year. Vacation time can not be accumulated from year to year. Employees who terminate employment will be paid their daily rate of regular pay for all days of unused vacation leave to which the employee is entitled within the current calendar year.
- 2) Sick Leave – Employees are granted from ten to eighteen days of sick leave each year depending on classification and month employed during first year. Such leave, when not used, shall be allowed to accumulate to the credit of the employee without limitation. Upon retirement or death, employees are paid for any unused sick leave up to a maximum of twenty-five days at their current daily rate of pay. Under Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.
- 3) Sabbatical Leave - Sabbatical leave may be granted for medical reasons and for professional and cultural improvement. Any employee with a teaching certificate and any social worker or school psychologist who holds a valid auxiliary certificate in school work or school psychology is entitled, subject to approval by the 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.

Only unused vacation leave to which the employee is entitled within the current calendar year is accrued as a liability at fiscal year end. An accrual for sick leave is made based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. Sabbatical leave is not accrued since it is considered leave for service during the period of the leave and therefore not a liability reportable in advance of the sabbatical pursuant to GASB Statement 16, *Accounting for Compensated Absences*.

In the FFS, the matured (the amount that is expected to be paid with current financial resources) liability for compensated absences, which includes salary and salary related payments, is reported in the fund from which the employees who have accumulated leave are paid. The amount not expected to be paid with current resources is not reported in the FFS. The entire compensated absence liability is reported in the GWFS.

L. Long-Term Liabilities

In the GWFS, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond discounts and issuance costs are deferred and amortized over the life of the bonds.

Long-term debt for governmental funds is not reported as liabilities in the FFS. The debt proceeds are reported as other financing sources and the payment of principle and interest is reported as expenditures. Governmental fund types recognize bond discounts and issuance costs during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

M. Restricted Net Assets

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

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

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

N. Fund Equity of Fund Financial Statements

In the FFS, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans for future use of financial resources that are subject to change.

O. Extraordinary and Special Items

Extraordinary items, although not present in the accompanying financial statements, are transactions or events that are both unusual in nature and infrequent in occurrence. Special items reported in the accompanying financial statements are transactions or events within the control of the School Board, which are either unusual in nature or infrequent in occurrence.

P. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as operating transfers in the FFS.

Q. Sales Taxes

Sales taxes are collected on a monthly basis by the Board's Sales Tax Department. The School Board receives sales tax revenue from the following three sales taxes:

- 1) An ordinance dated December 2, 1965, which was approved by the voters of the parish authorizes the Board to collect, for an indefinite period beginning January 1, 1966, a 1% sales and use tax to be used exclusively to supplement other revenues available to the Board for payment of salaries of teachers and for operating expenses of schools including payment of salaries of other personnel employed in addition to teachers.
- 2) Another ordinance dated April 29, 2006, was approved by the voters of the parish authorizing the Board to collect, for a period of ten years from December 1, 2007, an additional 1% sales and use tax to be used to supplement other revenues available to the Board for payment of salaries of teachers and for operating expenses of schools including payment of salaries of other personnel employed in addition to teachers.
- 3) An additional ordinance dated September 13, 2001, was approved by the voters of School District No.2 authorizing the Board to collect, for a period of 25 years from January 1, 2002, an additional ½% sales and use tax to be used to pay a portion of the costs of constructing and

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

improving public school buildings and facilities, acquiring land, equipment, and furnishings and/or use the proceeds of the tax to pay any bonded or funded indebtedness of the District.

R. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, expenses, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

S. Restricted Cash

A certain amount of sales taxes collected in the Sales Tax District No. 1 Debt Service Fund has been set aside, pursuant to bond covenants, in a separate bank account as a reserve for future debt service payments.

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2008:

Fund	Original Budget	Final Budget	Actual	Unfavorable Variance
General Fund	43,364,467	47,927,134	47,933,908	(6,774)
Special Revenue Funds:				
School District #C-1 Maintenance	\$ 230,208	\$ 255,595	\$ 283,339	\$ (27,744)
School District #1 Maintenance	324,956	399,716	460,343	(60,627)
School District #2 Maintenance	508,642	713,327	740,315	(26,988)
School District #5 Maintenance	57,211	64,187	66,853	(2,666)
School District #22 Maintenance	121,853	161,255	164,713	(3,458)
School Food Service	3,376,911	3,796,678	3,827,791	(31,113)
Title V	8,832	11,327	11,418	(91)

Pursuant to Louisiana Budget Act, none of the above unfavorable variances are considered noncompliance since they fall below the five percent adverse variance statutory threshold, meet the less than \$500,000 of anticipated expenditure amount exception, or they are contained in expenditure driven revenue recognition funds such as Federal grant expenditure reimbursement programs.

3. LEVIED TAXES

The School Board levies taxes on real and business personal property located within Jefferson Davis Parish's boundaries. Property taxes are levied by the School Board on property values at January 1 assessed by the Jefferson Davis Parish Tax Assessor and approved by the State of Louisiana Tax Commission upon submission of the tax roll.

The Jefferson Davis 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>	
Assessment date	January 1 st
Levy date	Not later than June 1 st

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Tax bills mailed	On or about November 15 th
Due date	December 31 st
Penalties and interest are added	January 1 st
Lien date	January 1 st
Tax sale – delinquent property	During June

Assessed values are established by the Jefferson Davis 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 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2008. Total assessed value was \$173,973,580 for the calendar year 2007. Louisiana State law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$42,063,770 of the assessed value in calendar year 2007. *The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:*

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide Taxes:			
Constitutional	6.48	6.48	Statutory
Special School	10.77	10.77	2007
School District No. 1:			
Maintenance	13.09	13.09	2012
Maintenance-Special	9.46	9.46	2009
Bonds	16.00	16.00	2024
School District No. 2:			
Maintenance	11.85	11.85	2012
Bonds	19.75	19.75	2021
School District No. 3:			
Maintenance	14.00	14.00	2010
Bonds	12.50	12.50	2020
School District No. 5:			
Maintenance	4.02	4.02	2012
Bonds	7.25	7.25	2021
School District No. 8:			
Maintenance	8.61	8.61	2012
Bonds	12.75	12.75	2019
School District No. 22 (Allen Parish also):			
Maintenance	11.89	11.89	2012
Bonds	22.50	22.50	2020
Consolidated School District No. 1			
Maintenance	11.66	11.66	2012
Bonds	19.50	19.50	2019

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

4. DEPOSITS – CASH AND INTEREST-BEARING DEPOSITS

At year end, the Board has cash and interest-bearing deposits (book balances) totaling \$23,534,898 as follows:

<u>Deposit Type</u>	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Interest-bearing demand deposits	\$ 21,485,722	\$ 1,753,085	\$ 23,238,807
Non-negotiable certificates of deposits	-	296,091	296,091
Other	-	-	-
Total	<u>\$ 21,485,722</u>	<u>\$ 2,049,176</u>	<u>\$ 23,534,898</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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 is the risk that in the event of a bank failure, the School Board’s deposits may not be returned to it. The School Board’s deposit policy for custodial credit risk requires that all uninsured deposits must be secured with acceptable collateral as defined in LRS 38:1221 valued at market. As of June 30, 2008, the School Board had deposits (collected bank balances) totaling \$25,428,097, which includes \$2,036,925 in fiduciary funds. Of these bank deposit balances, \$24,342,224 were exposed to custodial credit risk as follows: Uninsured and collateral held by pledging bank’s agent not in the School Board’s name \$24,342,224.

Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, *Deposits and Investment Risk Disclosures*, R.S. 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.

5. INVESTMENTS

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP), which is an external local government investment pool. In accordance with GASB Statement 40, *Deposits and Investment Risk Disclosures*, the investment in LAMP at year end is excluded from custodial credit risk disclosures provided by this statement because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA’s. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. As of year end, the Board's investment in LAMP was rated AAAM by Standard & Poor's.

The School Board also participates in the Louisiana State Treasury's Education Excellence Fund (EEF), which is a special fund, similar to an external local government investment pool, established within the Millennium Trust, a special permanent trust of the State of Louisiana, pursuant to the Louisiana Constitution Article 7, Section 10.8. In accordance with GASB Statement 40, *Deposits and Investment Risk Disclosures*, the investment in EEF at year end is excluded from custodial credit risk disclosures provided by this statement because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The EEF is administered by the Louisiana State Treasury through an investment agreement pursuant to La. R.S. 39:99. Only school boards that have executed investment agreements pursuant to La. R.S. 39:99 have an investment interest in the fund's pool of assets. Pursuant to La. R.S. 39:99 C (1), the State guarantees the principal invested in this fund by the school board. The primary objective of the EEF is to provide a safe environment for the placement of certain local school board monies associated with tobacco company settlements. The monies invested in EEF by the treasurer, are done so with the same authority and subject to the same restrictions as the Louisiana Education Quality Trust Fund pursuant to La. R.S. 17:3803. According to Louisiana Constitution Article 7, Section 10.8 (C)(g) no funds may be distributed to the School Board from the EEF until an annual plan has been submitted and receives both legislative and Department of Education approval as provided by law. As a result, the monies invested in this fund along with any accumulated investment earnings have been recorded as deferred revenues by the School Board. As of year end, the Board's investment in EEF was unrated with respect to credit quality.

The fair value of the position in these pools are the same as the value of the pool shares.

At fiscal year-end, the Board's investment balances were as follows:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Investments not subject to custodial credit risk classification:		
Louisiana Asset Management Pool	\$ 10,018,556	\$ 10,018,556
Louisiana State Treasurer Education Excellence Fund	1,205,107	1,205,107
Total Investments	<u>\$ 11,223,663</u>	<u>\$ 11,223,663</u>

6. RECEIVABLES

The receivables at year end for the School Board's major and nonmajor funds are as follows:

<u>Class of Receivable</u>	<u>General Funds</u>	<u>Other Nonmajor Governmental</u>	<u>Total</u>
Taxes:			
Ad valorem	\$ 9,328	\$ 133,878	\$ 143,206
Sales and use	806,399	-	806,399
Intergovernmental:			
State	1,024,484	1,176,815	2,201,299
Local	-	-	-
Other	55,436	5,444	60,880
Total	<u>\$ 1,895,647</u>	<u>\$ 1,316,137</u>	<u>\$ 3,211,784</u>

There were no allowances for uncollectible accounts as of year end.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

7. CAPITAL ASSETS

A summary of changes in capital assets is a follows:

	Balance Beginning	Adjustments	Additions/ Reclasses	Dispositions	Balance Ending
Capital assets not being depreciated:					
Land	\$ 1,527,350	-	125,000	-	1,652,350
Construction in progress	270,662	-	(270,662)	-	-
Total capital assets not being depreciated	1,798,012	-	(145,662)	-	1,652,350
Capital assets being depreciated:					
Buildings and improvements	67,602,443	(96,091)	466,068	-	67,972,420
Furniture and equipment	6,438,611	(4,780,392)	248,943	229,853	1,677,309
Transportation equipment	2,911,350	(27,949)	13,647	186,943	2,710,105
Total capital assets being Depreciated	76,952,404	(4,904,432)	728,658	416,796	72,359,834
Less accumulated depreciation for:					
Buildings and improvements	26,193,968	(73,071)	1,190,220	-	27,311,117
Furniture and equipment	4,572,070	(3,571,654)	124,762	183,605	941,573
Transportation equipment	2,000,481	(27,950)	175,738	186,943	1,961,326
Total accumulated Depreciation	32,766,519	(3,672,675)	1,490,720	370,548	30,214,016
Total capital assets being depreciated, net	44,185,885	(1,231,757)	(762,062)	46,248	42,145,818
Capital assets, net	\$ 45,983,897	(1,231,757)	(907,724)	46,248	43,798,168

Depreciation expense and adjustments were charged to governmental activities as follows:

	Depreciation	Adjustments	Dispositions	Total
Instruction:				
Regular instruction	\$ 59,505	237,944	46,248	343,697
Special educational instruction	3,882	160,045		163,927
Vocational instruction	2,965	39,163		42,128
All other instructional programs	3,607	27,810		31,417
Support services:				
Pupil support services	-	2,718		2,718
Instructional staff	752	23,479		24,231
General administration	-	11,854		11,854
School administration	-	34,329		34,329
Business services	3,626	12,273		15,899
Operational and maintenance	41,259	508,469		549,728
Student transportation	164,433	1,221		165,654
Central services	-	22,240		22,240
Non-instructional services:				
Food services	26,106	54,152		80,258
Unallocated building depreciation	1,184,585	96,057		1,280,642
Total depreciation expense	\$ 1,490,720	1,231,754	46,248	2,768,722

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

8. RETIREMENT SYSTEMS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRS)

Plan Description. The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute 8.0%, 8.0%, and 8.0% of their annual covered salary for the Regular Plan and Plan A, and 5.0%, 5.0%, and 5.0% for Plan B, for 2008, 2007, and 2006 respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 16.6%, 15.8%, and 15.9% of annual covered payroll for the three membership plans, respectively. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the school board.

The School Board's contributions to the TRS for the years ending June 30, 2008, 2007, and 2006, were \$4,663,335, \$4,027,347, and \$3,833,685, respectively, equal to the required contributions for each year.

B. Louisiana School Employees' Retirement System (LASERS)

Plan Description. The LASERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information for the LASERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute 7.5% of their annual covered salary to the plan for 2008, 2007, and 2006 respectively. The School Board was required to contribute 18.1% of covered employees' salaries for 2008, 19.6% for 2007, and 18.4% for 2006. The School Board's contribution to LASERS for 2008, 2007, and 2006 amounted to \$454,345, \$432,297, and \$376,916 which equaled the required contribution. Member contributions and employer contributions for the LASERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

9. OTHER POST-EMPLOYMENT BENEFITS

In accordance with State statutes, the School Board provides continuing health care and life insurance benefits for its retired employees. The School Board voluntarily funds an additional portion of retirees group health and life insurance coverage under a motion originally passed on April 3, 1980, which was last amended on June 20, 1996. 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 were provided through a fully insured program, whose monthly premiums are paid jointly by the employees and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due.

The portion of these costs paid for by the School Board for these benefits totaled \$2,475,741 (mandated by State statute \$2,330,953 and voluntarily under Board motion \$144,788) for 2008, while the employees paid \$488,581. At year end, approximately 415 former employees were qualified to receive such benefits.

In June 2004, the Governmental Accounting Standards Board issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefit Plans Other Than Pension Plans*. The School Board is required to implement this standard for the year ended June 30, 2009. The School board has not yet determined the full impact that the adoption of this standard will have on the financial statements. No provision for the unfunded portion of the Board's future liability has been made in the accompanying financial statements.

10. COMPENSATED ABSENCES

At year end, employees of the Board have accumulated and vested \$2,934,118 of employee leave benefits, which was computed in accordance with GASB *Codification Section C60*.

11. LONG-TERM LIABILITIES

The following is a summary of long-term liability activity for the year end:

	Balance			Balance	
	Beginning	Additions	Reductions	Ending	Due Within One Year
Compensated absences	\$ 2,443,088	\$ 1,099,869	\$ 608,839	\$ 2,934,118	\$ 699,178
General obligation bonds	32,534,000	-	1,500,000	31,034,000	1,564,000
Less deferred amount on bond refunding	(342,655)	-	(26,359)	(316,296)	-
Governmental activity long-term liabilities	\$ 34,634,433	\$ 1,099,869	\$ 2,082,480	\$ 33,651,822	\$ 2,263,178

Payments on general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences are liquidated by the fund where the salary costs originated.

The School Board issued \$3,310,000 of general obligation refunding bonds during fiscal 2005 to provide resources to purchase non-callable direct general obligations of the United States of America that were

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

placed in an irrevocable trust for the purpose of generating resources for all future debt service payments related to \$2,965,000 of Series 2000 General Obligation Bonds of Consolidated School District No. 1. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$322,070. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next fifteen years by \$221,027 and resulted in an economic gain of \$160,396.

The School Board issued \$1,050,000 of general obligation refunding bonds during fiscal 2007 to provide resources to purchase non-callable direct general obligations of the United States of America that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments related to \$990,000 of Series 2000 General Obligation Bonds of School District No. 8. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$68,415. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next fourteen years by \$64,473 and resulted in an economic gain of \$47,505.

All School Board bonds outstanding at year end are general obligation bonds. The following table lists the pertinent information on each outstanding issue:

<u>Date of Issuance</u>	<u>School District Number</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Original Amount of Issue</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>	<u>Funding Source</u>
12/1/05	1	Mar-25	4.00 to 5.00	1,000,000	342,420	915,000	Ad Valorem
3/1/05	1	Mar-25	3.65 to 4.50	2,000,000	806,157	1,865,000	Ad Valorem
4/1/02	2	Mar-22	4.20 to 5.20	10,000,000	3,106,485	8,130,000	Ad Valorem & Sales Tax
3/1/03	2	Mar-23	3.80 to 4.80	7,000,000	2,191,368	5,865,000	Ad Valorem & Sales Tax
2/1/04	2	Feb-24	4.25 to 5.25	7,000,000	2,791,755	6,210,000	Sales Tax
10/1/98	3	Feb-10	4.8	268,000	4,992	68,000	Ad Valorem
6/1/01	3	Mar-21	4.25 to 6.00	545,000	155,885	420,000	Ad Valorem
8/1/02	5	Mar-22	4.70 to 5.70	1,000,000	332,765	800,000	Ad Valorem
5/1/00	8	Mar-20	6.30 to 5.75	1,500,000	11,320	135,000	Ad Valorem
7/27/06	8	Mar-20	4.25 to 4.25	1,050,000	341,615	1,036,000	Ad Valorem
9/1/01	22	Mar-21	4.25 to 6.00	2,600,000	747,543	1,975,000	Ad Valorem
7/1/00	C1	Mar-10	5.50 to 6.50	4,500,000	34,100	410,000	Ad Valorem
5/15/05	C1	Mar-20	3.00 to 4.00	3,310,000	943,941	3,205,000	Ad Valorem
					<u>\$11,810,346</u>	<u>\$31,034,000</u>	

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

At year end, the School Board has accumulated \$3,769,802 in the debt service funds for future debt requirements. The future requirements to amortize bond debt are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 1,564,000	\$ 1,380,895	\$ 2,944,895
2010	1,654,000	1,302,859	2,956,859
2011	1,713,000	1,223,604	2,936,604
2012	1,792,000	1,146,541	2,938,541
2013	1,881,000	1,071,875	2,952,875
2014-2018	10,871,000	4,099,030	14,970,030
2019-2023	10,694,000	1,536,868	12,230,868
2024-2025	865,000	48,675	913,675
	<u>\$ 31,034,000</u>	<u>\$ 11,810,347</u>	<u>\$ 42,844,347</u>

In accordance with R.S. 39:562 (L), the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At year end, the parish-wide statutory limit is \$65,954,905 and outstanding bonded debt totals \$31,034,000.

12. OTHER INDIVIDUAL FUND DISCLOSURES (FFS Level Only)

A. Interfund Receivables and Payables

<u>Due From</u>	<u>Due To</u>		<u>Total</u>
	<u>General Funds</u>	<u>Other Nonmajor Governmental</u>	
School Lunch	\$ 23,496	\$ -	\$ 23,496
Title V	782	-	782
IDEA-Preschool	5,966	-	5,966
Other Federal Funds	83,783	-	83,783
IDEA	174,990	-	174,990
Title I	301,655	-	301,655
Migrant	35,064	-	35,064
Title IV Drug Free Schools	3,701	-	3,701
Title II	164,621	-	164,621
Maintenance District #2	125,000	-	125,000
General Fund	-	50,000	50,000
	<u>\$ 919,058</u>	<u>\$ 50,000</u>	<u>\$ 969,058</u>

Of the balance that School Lunch owes the General Fund \$23,496 represents the remaining balance of a loan to purchase a delivery truck and computer hardware and software. All remaining balances resulted from the timing lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

B. Interfund Transfers

Transfer Out	Transfer In		Total
	General Funds	Other Nonmajor Governmental	
Operating Transfers:			
Emergency Impact	\$ 67,958	\$ -	\$ 67,958
Maintenance-CSD 1		2,500	2,500
Maintenance-SD 2		5,000	5,000
Maintenance-SD 3		42,500	42,500
Maintenance-SD 5		2,500	2,500
Maintenance-SD 8		2,500	2,500
	<u>67,958</u>	<u>55,000</u>	<u>122,958</u>
Indirect Cost Payments:			
IDEA-Preschool	\$ 3,938	\$ -	\$ 3,938
IDEA	84,455	-	84,455
Title I	98,039	-	98,039
Migrant	4,821	-	4,821
Title V	700	-	700
Title IV Drug Free Schools	565	-	565
Title II	34,658	-	34,658
	<u>\$ 227,176</u>	<u>\$ -</u>	<u>\$ 227,176</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. Indirect costs transfers are identified separately in the accompanying financial statements to demonstrate the amount of transfers made from the various Federal programs to the General Fund for allowable indirect costs.

13. RESERVED AND DESIGNATED FUND BALANCES (FFS Level Only)

Reserves in the governmental funds represent portions of fund balance which are not appropriable for expenditure or is legally segregated for specific future uses, while designations of fund balance represent tentative plans for financial resource utilization in a future period. Reserves and designations of fund balance at year end, are as follows:

	General Funds	Other Nonmajor Governmental	Total
<u>Reserved for:</u>			
Inventory	\$ 894,584	\$ 133,495	\$ 1,028,079
Prepaid items	8,000	-	8,000
Noncurrent receivables	126,807	-	126,807
Debt service	-	3,895,185	3,895,185
	<u>\$ 1,029,391</u>	<u>\$ 4,028,680</u>	<u>\$ 5,058,071</u>
<u>Designated for:</u>			
Bus replacement	\$ 1,706,748	\$ -	\$ 1,706,748
Roof replacement	6,000,000	-	6,000,000
Post retirement health insurance	2,000,000	-	2,000,000
Insurance contingencies	1,000,000	-	1,000,000
	<u>\$ 10,706,748</u>	<u>\$ -</u>	<u>\$ 10,706,748</u>

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

14. RISK MANAGEMENT

The 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 Board continues to be self insured for all workers compensation claims that arose prior to July 1, 1998, for the period during which the Board was self insured for claims up to \$200,000. Claims for workers compensation are handled through a contracted claims agent which handles the claims administration for the Board. Settled claims are reported as an expense in the General Fund. There were \$87,513, \$81,829, and \$61,036, in settlements recorded in the financial statements for the fiscal years ending in 2008, 2007, and 2006, respectively. In addition, no provision has been made for claims that have occurred prior to moving coverage in this area to a commercial carrier. *The Board has reserved \$1,000,000 of the General Fund balance to cover potential workers compensation insurance losses in excess of contracted coverages while self insured.* Subsequent to July 1, 1998, the Board obtained coverage for workers compensation through a commercial insurance company.

Other risks of loss are managed through commercial insurance coverage. Settled claims resulting from these risks covered by commercial insurance have not materially exceeded coverage in the past three fiscal years. In fiscal 2006-2007 the School Board was forced to reduce the amount of property insurance coverage due to the underwriter's unwillingness to insure the entire book of property. The total estimated property value of the School Board's buildings and contents is approximately \$100,426,395. Prior year coverage had limits of \$10,000,000 plus excess over this amount of up to \$5,000,000 for replacement cost. The new policy provides for limits of \$10,000,000 plus excess over this amount of up to \$27,500,000 for replacement cost. In the prior year the deductible on property insurance was \$100,000, except in instances of damage caused by a named storm where the deductible is raised to \$250,000. The new deductible on property insurance remained at \$100,000, except in instance of damage caused by a named storm the deductible was raised to the greater of \$100,000 or 3% of the listed building value for each damaged building.

15. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

Retirement plan payments in the amount of \$137,147 were made by the Sheriff, acting in his capacity as Ex-Officio Tax Collector, to the Teacher's Retirement System of the State of Louisiana on behalf of the Board. These remittances represent a portion of the ad valorem taxes and state revenue sharing collections which are statutorily set aside for payment to the Teacher's Retirement System on behalf of the Board. These on-behalf payments have been recorded in the accompanying financial statements, in accordance with GASB Statement 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* as revenues and expenditures in the General Fund.

16. CONTINGENCIES

Litigation. During the course of normal operations the Board may be the defendant in lawsuits. Legal counsel has determined that potential liability to the Board cannot be determined or is covered by commercial insurance as of the issuance date of these financial statements. Accordingly, no provision for losses, exceeding available insurance coverage, has been recorded in the accompanying financial statements.

Grant Disallowances. The Board participates in a number of Federal Financial Assistance Programs. These programs are subject to further financial and compliance audits by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, *the Board feels such amounts, if any, to be immaterial to the financial statements.*

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS**

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. Management believes there is no tax arbitrage rebate liability at year end.

17. PASS-THROUGH GRANTS

The Board serves as sponsor for various local governmental agencies within the Southwest Louisiana region that participate in federal awards funds in the amount of \$135,065 received through a Migrant Education Grant. In accordance with GASB Statement 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, these amounts have been recorded in the accompanying financial statements as federal source revenues and intergovernmental expenditures.

18. ECONOMIC DEPENDENCE

The Board has one taxpayer that accounts for more than 10% of total sales tax collections revenues reported in the accompanying financial statements. During the fiscal year the Minimum Foundation funding provided by the State of Louisiana amounted to \$33,460,183, which represents approximately 54% of the School Board's total revenues.

THIS PAGE INTENTIONALLY LEFT BLANK

REQUIRED SUPPLEMENTAL INFORMATION

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON DAVIS PARISH SCHOOL BOARD
GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

Schedule 1
(Continued)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 2,040,000	2,167,750	\$ 2,208,868	\$ 41,118
Sales and use taxes	7,900,000	8,702,208	9,051,174	348,966
Parish contribution to retirement fund	132,618	137,148	137,147	(1)
Collection fees from municipalities	135,000	155,000	207,784	52,784
Tuition	157,100	157,100	136,208	(20,892)
Interest earnings	1,300,000	989,000	906,047	(82,953)
Other local revenue	491,628	578,545	619,483	40,938
State sources:				
Equalization	30,325,422	30,316,148	32,080,183	1,764,035
Restricted grants-in-aid	2,843,842	3,742,587	2,484,577	(1,258,010)
Revenue sharing	212,702	217,501	216,890	(611)
Other state revenues	13,129	13,129	8,891	(4,238)
Federal sources				
	-	-	-	-
Total revenues	<u>45,551,441</u>	<u>47,176,116</u>	<u>48,057,252</u>	<u>881,136</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	20,253,800	21,337,175	21,400,124	(62,949)
Special education programs	5,683,461	4,952,668	4,893,917	58,751
Vocational programs	1,686,179	1,522,667	1,505,771	16,896
All other instructional programs	1,583,815	2,485,803	2,440,858	44,945
Support services:				
Student services	2,206,092	2,460,917	2,448,721	12,196
Instructional staff support	2,043,875	1,999,338	2,026,165	(26,827)
General administration	1,135,381	1,173,916	1,210,612	(36,696)
School administration	3,486,004	3,434,681	3,414,616	20,065
Business services	625,253	678,130	659,521	18,609
Plant operation and maintenance	4,883,820	4,717,577	4,832,486	(114,909)
Student transportation services	2,536,624	2,474,452	2,399,902	74,550
Central services	251,068	271,806	269,674	2,132
Non-instructional services:				
Food services	561,882	321,860	321,061	799
Community service programs	30,500	38,000	40,108	(2,108)
Intergovernmental	-	-	-	-
Facilities acquisition and construction	-	58,144	70,372	(12,228)
Debt service:				
Principal retirement	-	-	-	-
Interest, fiscal charges, and issue costs	-	-	-	-
Total expenditures	<u>46,967,754</u>	<u>47,927,134</u>	<u>47,933,908</u>	<u>(6,774)</u>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2008**

**Schedule 1
(Concluded)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(1,416,313)</u>	<u>(751,018)</u>	<u>123,344</u>	<u>874,362</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	67,958	67,958	67,958	-
Operating transfers out	-	(17,500)	(15,000)	2,500
Indirect costs	180,000	230,000	227,176	(2,824)
Proceeds from sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Proceeds from hurricane damages	250,000	298,088	298,087	(1)
Proceeds from sale of fixed assets	-	6,843	7,985	1,142
Total other financing sources (uses)	<u>497,958</u>	<u>585,389</u>	<u>586,206</u>	<u>817</u>
NET CHANGES IN FUND BALANCES	(918,355)	(165,629)	709,550	875,179
FUND BALANCES BEGINNING OF YEAR	<u>21,941,203</u>	<u>21,941,203</u>	<u>21,941,203</u>	-
FUND BALANCES END OF YEAR	<u>\$ 21,022,848</u>	<u>\$ 21,775,574</u>	<u>\$ 22,650,753</u>	<u>\$ 875,179</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
Notes to Budgetary Comparison Schedule
For the Year Ended June 30, 2008

A. BUDGETARY PRACTICES

General Budget Practices The Board follows the following procedures in establishing budgetary data reported in the accompanying budgetary comparison schedule:

Pursuant to Title 17, Section 88 of the Louisiana Revised Statutes, as amended by Act 970 of 1995, the Board is required to adopt an annual budget no later than September 15th of each year for the general fund and all special revenue funds.

Each year prior to September 15th, the Director of Accounting and the Superintendent submit a proposed annual budget for the general fund and all special revenue funds. The operating budgets include proposed expenditures and the means of financing them. The proposed budget is advertised as available for public inspection at least 15 days prior to final adoption simultaneously with a notice of the date of public hearing. The public hearing is conducted during a finance committee meeting in order to obtain public input. The budget is subsequently adopted by the full Board through a formal budget resolution. Upon final Board approval, a copy of the budget is then sent to the State Department of Education.

General fund and special revenue fund appropriations (unexpended budget balances) lapse at end of fiscal year.

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

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original budget and all subsequent amendments. All budget revisions are approved by the Board.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Legally, the Board cannot budget total expenditures and other financing uses which would exceed total budgeted revenues and other financing sources including beginning fund balance. State statutes require the Board to amend its budgets to prevent overall projected revenues, expenditures, or beginning fund balance from causing an adverse budget variance of five percent or more in an individual fund. The Board approves budgets at the function level and management is allowed to transfer amounts between line items within a function. Debt service funds are controlled by related bond ordinances and not budgeted on an annual basis. Therefore, a budget to actual comparison is not presented for these funds. Capital projects funds are controlled on a project basis through the use of formal bidding and are not budgeted on an annual basis. All projects remain programmed and funded until completed or until the Board decides to eliminate the project. As a result, budget to actual comparisons are not presented for these funds.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL MAJOR FUNDS

The following budgeted major funds had actual expenditures over budgeted expenditures for the fiscal year:

<u>Major Fund</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 47,927,137	\$ 47,933,908	\$ 6,774

Reason for unfavorable variance: not applicable.

THIS PAGE INTENTIONALLY LEFT BLANK

SUPPLEMENTAL INFORMATION

THIS PAGE INTENTIONALLY LEFT BLANK

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

Schedule 2

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and interest-bearing accounts	\$ 1,765,721	\$ 3,196,552	\$ 418,591	\$ 5,380,864
Restricted cash & interest-bearing accounts	-	573,250	-	573,250
Receivables	1,189,719	126,418	-	1,316,137
Interfund receivables	50,000	-	-	50,000
Inventory	161,250	-	-	161,250
TOTAL ASSETS	<u>3,166,690</u>	<u>3,896,220</u>	<u>418,591</u>	<u>7,481,501</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	236,355	1,035	6,052	243,442
Contracts payable	-	-	-	-
Payroll deductions, withholdings, and accrued salaries payable	664,723	-	-	664,723
Interfund payables	919,058	-	-	919,058
Deposits due others	20,255	-	-	20,255
Deferred revenue	27,755	-	-	27,755
Total Liabilities	<u>1,868,146</u>	<u>1,035</u>	<u>6,052</u>	<u>1,875,233</u>
FUND BALANCES				
Reserved	133,495	3,895,185	-	4,028,680
Unreserved:				
Undesignated reported in:				
Special revenue funds	1,165,049	-	-	1,165,049
Debt service funds	-	-	-	-
Capital projects funds	-	-	412,539	412,539
Total Fund Balances	<u>1,298,544</u>	<u>3,895,185</u>	<u>412,539</u>	<u>5,606,268</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,166,690</u>	<u>\$ 3,896,220</u>	<u>\$ 418,591</u>	<u>\$ 7,481,501</u>

JEFFERSON DAVIS 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, 2008

Schedule 3
(Continued)

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 1,594,210	\$ 2,224,198	\$ -	\$ 3,818,408
Sales and use taxes	-	1,409,202	-	1,409,202
Interest earnings	59,801	106,066	16,410	182,277
Food services	589,410	-	-	589,410
Other local revenue	14,008	-	-	14,008
State sources:				
Equalization	1,380,000	-	-	1,380,000
Revenue sharing	83,610	-	-	83,610
Federal sources	6,209,035	-	-	6,209,035
Total revenues	9,930,074	3,739,466	16,410	13,685,950
EXPENDITURES				
Current:				
Instruction:				
Regular programs	474,995	-	-	474,995
Special education programs	1,098,051	-	-	1,098,051
Vocational programs	89,280	-	-	89,280
All other instructional programs	1,607,356	-	-	1,607,356
Support services:				
Student services	256,446	-	-	256,446
Instructional staff support	787,848	-	-	787,848
General administration	54,571	71,633	-	126,204
School administration	55,245	-	-	55,245
Business services	-	-	-	-
Plant operation and maintenance	1,209,819	-	-	1,209,819
Student transportation services	15,250	-	-	15,250
Central services	154,355	-	-	154,355
Non-instructional services:				
Food services	3,827,791	-	-	3,827,791
Intergovernmental	50,519	-	-	50,519
Facilities acquisition and construction	209,590	-	40,484	250,074
Debt service:				
Principal retirement	-	1,500,000	-	1,500,000
Interest	-	1,459,801	-	1,459,801
Bond issuance and other costs	-	8,049	-	8,049
Total expenditures	9,891,116	3,039,483	40,484	12,971,083

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS 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, 2008

Schedule 3
(Concluded)

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	38,958	699,983	(24,074)	714,867
OTHER FINANCING SOURCES (USES):				
Operating transfers in	55,000	-	-	55,000
Operating transfers out	(67,958)	-	(40,000)	(107,958)
Indirect costs	(227,176)	-	-	(227,176)
Proceeds from sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Proceeds from hurricane damages	-	-	-	-
Proceeds from sale of fixed assets	2,401	-	-	2,401
Total other financing sources (uses)	<u>(237,733)</u>	<u>-</u>	<u>(40,000)</u>	<u>(277,733)</u>
NET CHANGES IN FUND BALANCES	(198,775)	699,983	(64,074)	437,134
FUND BALANCES BEGINNING OF YEAR	<u>1,497,319</u>	<u>3,195,202</u>	<u>476,613</u>	<u>5,169,134</u>
FUND BALANCES END OF YEAR	<u>\$ 1,298,544</u>	<u>\$ 3,895,185</u>	<u>\$ 412,539</u>	<u>\$ 5,606,268</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Maintenance Consolidated School District No. 1	Maintenance School District No. 1	Maintenance School District No. 2	Maintenance School District No. 3
ASSETS				
Cash and interest-bearing accounts	\$ 71,604	\$ 706,462	\$ 324,419	\$ 18,317
Investments	-	-	-	-
Receivables	1,207	2,222	3,452	541
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>72,811</u>	<u>708,684</u>	<u>327,871</u>	<u>18,858</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	16,340	101,613	45,105	2,493
Contracts payable	-	-	-	-
Payroll deductions, withholdings, and accrued salaries payable	841	2,088	1,749	-
Interfund payables	-	-	125,000	-
Deposits due others	-	-	-	-
Deferred revenues	-	-	-	-
Total Liabilities	<u>17,181</u>	<u>103,701</u>	<u>171,854</u>	<u>2,493</u>
FUND BALANCES				
Reserved	-	-	-	-
Unreserved:				
Designated	-	-	-	-
Undesignated reported in: Special revenue funds	55,630	604,983	156,017	16,365
Total Fund Balances	<u>55,630</u>	<u>604,983</u>	<u>156,017</u>	<u>16,365</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 72,811</u>	<u>\$ 708,684</u>	<u>\$ 327,871</u>	<u>\$ 18,858</u>

**Schedule 4
(Continued)**

Maintenance School District No. 5	Maintenance School District No. 8	Maintenance School District No. 22	School Food Service	I.D.E.A. Preschool
\$ 67,568	\$ 72,446	\$ 14,857	\$ 490,048	\$ -
-	-	-	-	-
2,693	668	396	1,734	9,846
-	-	-	50,000	-
861	-	-	160,389	-
-	-	-	-	-
<u>71,122</u>	<u>73,114</u>	<u>15,253</u>	<u>702,171</u>	<u>9,846</u>
2,969	5,000	6,486	8,654	-
-	-	-	-	-
-	50	60	301,386	3,880
-	-	-	23,496	5,966
-	-	-	20,255	-
-	-	-	27,755	-
<u>2,969</u>	<u>5,050</u>	<u>6,546</u>	<u>381,546</u>	<u>9,846</u>
861	-	-	132,634	-
-	-	-	-	-
67,292	68,064	8,707	187,991	-
<u>68,153</u>	<u>68,064</u>	<u>8,707</u>	<u>320,625</u>	<u>-</u>
<u>\$ 71,122</u>	<u>\$ 73,114</u>	<u>\$ 15,253</u>	<u>\$ 702,171</u>	<u>\$ 9,846</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Other Special Education Federal Funds	Other Federal Funds	I.D.E.A.	Title I
ASSETS				
Cash and interest-bearing accounts	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Receivables	-	106,061	293,634	468,005
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>-</u>	<u>106,061</u>	<u>293,634</u>	<u>468,005</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	-	671	122	32,527
Contracts payable	-	-	-	-
Payroll deductions, withholdings, and accrued salaries payable	-	21,607	118,522	133,823
Interfund payables	-	83,783	174,990	301,655
Deposits due others	-	-	-	-
Deferred revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>106,061</u>	<u>293,634</u>	<u>468,005</u>
FUND BALANCES				
Reserved	-	-	-	-
Unreserved:				
Designated	-	-	-	-
Undesignated reported in: Special revenue funds	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 106,061</u>	<u>\$ 293,634</u>	<u>\$ 468,005</u>

**Schedule 4
(Concluded)**

Emergency Impact	Migrant Education	Title V	Title IV Drug Free Schools	Title II	Total
-	-	-	-	-	1,765,721
-	49,143	782	4,675	244,660	1,189,719
-	-	-	-	-	50,000
-	-	-	-	-	161,250
-	-	-	-	-	-
<u>-</u>	<u>49,143</u>	<u>782</u>	<u>4,675</u>	<u>244,660</u>	<u>3,166,690</u>
-	11,013	-	974	2,388	236,355
-	-	-	-	-	-
-	3,066	-	-	77,651	664,723
-	35,064	782	3,701	164,621	919,058
-	-	-	-	-	20,255
-	-	-	-	-	27,755
<u>-</u>	<u>49,143</u>	<u>782</u>	<u>4,675</u>	<u>244,660</u>	<u>1,868,146</u>
-	-	-	-	-	133,495
-	-	-	-	-	-
-	-	-	-	-	1,165,049
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,298,544</u>
<u>\$ -</u>	<u>\$ 49,143</u>	<u>\$ 782</u>	<u>\$ 4,675</u>	<u>\$ 244,660</u>	<u>\$ 3,166,690</u>

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

	Maintenance Consolidated School <u>District No. 1</u>	Maintenance School <u>District No. 1</u>	Maintenance School <u>District No. 2</u>	Maintenance School <u>District No. 3</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 238,106	\$ 391,156	\$ 590,133	\$ 96,701
Sales and use taxes	-	-	-	-
Parish contribution to retirement fund	-	-	-	-
Collection fees from municipalities	-	-	-	-
Tuition	-	-	-	-
Interest earnings	2,475	21,867	17,878	779
Food services	-	-	-	-
Other local revenue	958	1,800	5,205	-
State sources:				
Equalization	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Revenue sharing	13,391	14,035	34,112	5,405
Other state revenues	-	-	-	-
Federal sources				
Total revenues	<u>254,930</u>	<u>428,858</u>	<u>647,328</u>	<u>102,885</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	95,826	84,017	157,680	50,305
Special education programs	-	-	-	-
Vocational programs	-	-	-	-
All other instructional programs	-	-	-	-
Support services:				
Student services	-	-	-	-
Instructional staff support	-	-	-	-
General administration	7,555	12,208	18,157	3,230
School administration	12,493	16,240	12,683	11,013
Business services	-	-	-	-
Plant operation and maintenance	164,703	260,447	425,558	106,085
Student transportation services	2,762	2,841	1,237	1,415
Central services	-	-	-	-
Non-instructional services:				
Food services	-	-	-	-
Community service programs	-	-	-	-
Intergovernmental	-	-	-	-
Facilities acquisition and construction	-	84,590	125,000	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Bond issuance and other costs	-	-	-	-
Total expenditures	<u>283,339</u>	<u>460,343</u>	<u>740,315</u>	<u>172,048</u>

Schedule 5
(Continued)

Maintenance School District No. 5	Maintenance School District No. 8	Maintenance School District No. 22	School Food Service	I.D.E.A. Preschool
\$ 58,302	\$ 100,012	\$ 119,800	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,265	2,577	987	10,973	-
-	-	-	589,410	-
217	-	75	2,153	-
-	-	-	1,380,000	-
-	-	-	-	-
3,050	5,456	8,161	-	-
-	-	-	-	-
-	-	-	1,852,382	68,188
<u>63,834</u>	<u>108,045</u>	<u>129,023</u>	<u>3,834,918</u>	<u>68,188</u>
16,457	24,930	39,151	-	-
-	-	-	-	58,720
-	-	-	-	-
-	-	-	-	-
-	-	-	-	3,441
-	-	-	-	2,089
2,089	3,206	4,495	-	-
131	2,355	330	-	-
-	-	-	-	-
48,176	79,619	118,694	-	-
-	485	2,043	-	-
-	-	-	-	-
-	-	-	3,827,791	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>66,853</u>	<u>110,595</u>	<u>164,713</u>	<u>3,827,791</u>	<u>64,250</u>

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

	Maintenance Consolidated School District No. 1	Maintenance School District No. 1	Maintenance School District No. 2	Maintenance School District No. 3
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(28,409)</u>	<u>(31,485)</u>	<u>(92,987)</u>	<u>(69,163)</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	2,500	-	5,000	42,500
Operating transfers out	-	-	-	-
Indirect costs	-	-	-	-
Proceeds from sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Proceeds from hurricane damages	-	-	-	-
Proceeds from sale of fixed assets	-	-	-	-
Total other financing sources (uses)	<u>2,500</u>	<u>-</u>	<u>5,000</u>	<u>42,500</u>
NET CHANGES IN FUND BALANCES	(25,909)	(31,485)	(87,987)	(26,663)
FUND BALANCES BEGINNING OF YEAR	<u>81,539</u>	<u>636,468</u>	<u>244,004</u>	<u>43,028</u>
FUND BALANCES END OF YEAR	<u>\$ 55,630</u>	<u>\$ 604,983</u>	<u>\$ 156,017</u>	<u>\$ 16,365</u>

**Schedule 5
(Continued)**

Maintenance School District No. 5	Maintenance School District No. 8	Maintenance School District No. 22	School Food Service	I.D.E.A. Preschool
<u>(3,019)</u>	<u>(2,550)</u>	<u>(35,690)</u>	<u>7,127</u>	<u>3,938</u>
2,500	2,500	-	-	-
-	-	-	-	-
-	-	-	-	(3,938)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>2,401</u>	<u>(3,938)</u>
(519)	(50)	(35,690)	9,528	-
<u>68,672</u>	<u>68,114</u>	<u>44,397</u>	<u>311,097</u>	<u>-</u>
<u>\$ 68,153</u>	<u>\$ 68,064</u>	<u>\$ 8,707</u>	<u>\$ 320,625</u>	<u>\$ -</u>

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

	Other Special Education Federal Funds	Other Federal Funds	I.D.E.A.	Title I
REVENUES				
Local sources:				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-
Parish contribution to retirement fund	-	-	-	-
Collection fees from municipalities	-	-	-	-
Tuition	-	-	-	-
Interest earnings	-	-	-	-
Food services	-	-	-	-
Other local revenue	-	-	3,600	-
State sources:				
Equalization	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Revenue sharing	-	-	-	-
Other state revenues	-	-	-	-
Federal sources	-	259,814	1,465,442	1,697,736
Total revenues	<u>-</u>	<u>259,814</u>	<u>1,469,042</u>	<u>1,697,736</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	-	-	-	-
Special education programs	-	-	1,039,331	-
Vocational programs	-	89,280	-	-
All other instructional programs	-	122,471	-	997,374
Support services:				
Student services	-	42,960	210,045	-
Instructional staff support	-	3,722	84,112	487,026
General administration	-	1,381	1,500	-
School administration	-	-	-	-
Business services	-	-	-	-
Plant operation and maintenance	-	-	-	6,074
Student transportation services	-	-	4,467	-
Central services	-	-	45,132	109,223
Non-instructional services:				
Food services	-	-	-	-
Community service programs	-	-	-	-
Intergovernmental	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Bond issuance and other costs	-	-	-	-
Total expenditures	<u>-</u>	<u>259,814</u>	<u>1,384,587</u>	<u>1,599,697</u>

**Schedule 5
(Concluded)**

Emergency Impact	Migrant Education	Title V	Title IV Drug Free Schools	Title II	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,594,210
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	59,801
-	-	-	-	-	589,410
-	-	-	-	-	14,008
-	-	-	-	-	-
-	-	-	-	-	1,380,000
-	-	-	-	-	-
-	-	-	-	-	83,610
-	-	-	-	-	-
<u>67,958</u>	<u>135,065</u>	<u>12,118</u>	<u>28,810</u>	<u>621,522</u>	<u>6,209,035</u>
<u>67,958</u>	<u>135,065</u>	<u>12,118</u>	<u>28,810</u>	<u>621,522</u>	<u>9,930,074</u>
-	-	-	255	6,374	474,995
-	-	-	-	-	1,098,051
-	-	-	-	-	89,280
-	17,287	11,168	12,637	446,419	1,607,356
-	-	-	-	-	-
-	-	-	-	-	256,446
-	61,475	-	15,353	134,071	787,848
-	500	250	-	-	54,571
-	-	-	-	-	55,245
-	-	-	-	-	-
-	463	-	-	-	1,209,819
-	-	-	-	-	15,250
-	-	-	-	-	154,355
-	-	-	-	-	-
-	-	-	-	-	3,827,791
-	-	-	-	-	-
-	50,519	-	-	-	50,519
-	-	-	-	-	209,590
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>130,244</u>	<u>11,418</u>	<u>28,245</u>	<u>586,864</u>	<u>9,891,116</u>

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

	Other Special Education Federal Funds	Other Federal Funds	I.D.E.A.	Title I
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	84,455	98,039
OTHER FINANCING SOURCES (USES):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Indirect costs	-	-	(84,455)	(98,039)
Proceeds from sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Proceeds from hurricane damages	-	-	-	-
Proceeds from sale of fixed assets	-	-	-	-
Total other financing sources (uses)	-	-	(84,455)	(98,039)
NET CHANGES IN FUND BALANCES	-	-	-	-
FUND BALANCES BEGINNING OF YEAR	-	-	-	-
FUND BALANCES END OF YEAR	\$ -	\$ -	\$ -	\$ -

**Schedule 5
(Concluded)**

<u>Emergency Impact</u>	<u>Migrant Education</u>	<u>Title V</u>	<u>Title IV Drug Free Schools</u>	<u>Title II</u>	<u>Total</u>
<u>67,958</u>	<u>4,821</u>	<u>700</u>	<u>565</u>	<u>34,658</u>	<u>38,958</u>
-	-	-	-	-	55,000
(67,958)	-	-	-	-	(67,958)
-	(4,821)	(700)	(565)	(34,658)	(227,176)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,401
<u>(67,958)</u>	<u>(4,821)</u>	<u>(700)</u>	<u>(565)</u>	<u>(34,658)</u>	<u>(237,733)</u>
-	-	-	-	-	(198,775)
-	-	-	-	-	1,497,319
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,298,544</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 2008

	Consolidated School District No. 1	School District No. 1	School District No. 2	School District No. 3
ASSETS				
Cash and interest-bearing accounts	\$ 296,182	\$ 186,646	\$ 637,019	\$ 72,992
Restricted cash & interest-bearing accounts	-	-	-	-
Investments	-	-	-	-
Receivables	1,021	1,577	4,093	308
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>297,203</u>	<u>188,223</u>	<u>641,112</u>	<u>73,300</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	-	-	-	-
Contracts payable	-	-	-	-
Payroll deductions, withholdings, and accrued salaries payable	-	-	-	-
Interfund payables	-	-	-	-
Deposits due others	-	-	-	-
Deferred revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Reserved	297,203	188,223	641,112	73,300
Unreserved:				
Designated	-	-	-	-
Undesignated reported in: Debt service funds				
Total Fund Balances	<u>297,203</u>	<u>188,223</u>	<u>641,112</u>	<u>73,300</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 297,203</u>	<u>\$ 188,223</u>	<u>\$ 641,112</u>	<u>\$ 73,300</u>

Schedule 6

School District No. 5	School District No. 8	School District No. 22	Sales Tax District No. 1	Total
\$ 94,466	\$ 126,419	\$ 152,562	\$ 1,630,266	\$ 3,196,552
-	-	-	573,250	573,250
343	987	752	117,337	126,418
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>94,809</u>	<u>127,406</u>	<u>153,314</u>	<u>2,320,853</u>	<u>3,896,220</u>
1,035	-	-	-	1,035
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,035</u>
93,774	127,406	153,314	2,320,853	3,895,185
-	-	-	-	-
-	-	-	-	-
<u>93,774</u>	<u>127,406</u>	<u>153,314</u>	<u>2,320,853</u>	<u>3,895,185</u>
<u>\$ 94,809</u>	<u>\$ 127,406</u>	<u>\$ 153,314</u>	<u>\$ 2,320,853</u>	<u>\$ 3,896,220</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

	Consolidated School District No. 1	School District No. 1	School District No. 2	School District No. 3
REVENUES				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 398,273	\$ 277,705	\$ 981,966	\$ 86,511
Sales and use taxes	-	-	-	-
Parish contribution to retirement fund	-	-	-	-
Collection fees from municipalities	-	-	-	-
Tuition	-	-	-	-
Interest earnings	10,216	5,204	15,981	2,318
Food services	-	-	-	-
Other local revenue	-	-	-	-
State sources:				
Equalization	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Revenue sharing	-	-	-	-
Other state revenues	-	-	-	-
Federal sources				
	-	-	-	-
Total Revenues	408,489	282,909	997,947	88,829
EXPENDITURES				
Current:				
Instruction:				
Regular programs	-	-	-	-
Special education programs	-	-	-	-
Vocational programs	-	-	-	-
All other instructional programs	-	-	-	-
Support services:				
Student services	-	-	-	-
Instructional staff support	-	-	-	-
General administration	12,636	8,661	30,260	2,899
School administration	-	-	-	-
Business services	-	-	-	-
Plant operation and maintenance	-	-	-	-
Student transportation services	-	-	-	-
Central services	-	-	-	-
Non-instructional services:				
Food services	-	-	-	-
Community service programs	-	-	-	-
Intergovernmental	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	225,000	115,000	390,000	53,000
Interest	156,724	123,825	397,013	27,791
Bond issuance and other costs	1,102	1,393	2,222	525
Total expenditures	395,462	248,879	819,495	84,215

**Schedule 7
(Continued)**

<u>School District No. 5</u>	<u>School District No. 8</u>	<u>School District No. 22</u>	<u>Sales Tax District No. 1</u>	<u>Total</u>
\$ 105,122	\$ 148,205	\$ 226,416	\$ -	\$ 2,224,198
-	-	-	1,409,202	1,409,202
-	-	-	-	-
-	-	-	-	-
2,488	4,201	4,192	61,466	106,066
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>107,610</u>	<u>152,406</u>	<u>230,608</u>	<u>1,470,668</u>	<u>3,739,466</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,803	4,747	7,627	-	71,633
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
40,000	72,000	105,000	500,000	1,500,000
41,695	56,033	100,735	555,985	1,459,801
-	802	1,000	1,005	8,049
<u>86,498</u>	<u>133,582</u>	<u>214,362</u>	<u>1,056,990</u>	<u>3,039,483</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

	Consolidated School District No. 1	School District No. 1	School District No. 2	School District No. 3
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>13,027</u>	<u>34,030</u>	<u>178,452</u>	<u>4,614</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Indirect costs	-	-	-	-
Proceeds from sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Proceeds from hurricane damages	-	-	-	-
Proceeds from sale of fixed assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	13,027	34,030	178,452	4,614
FUND BALANCES BEGINNING OF YEAR	<u>284,176</u>	<u>154,193</u>	<u>462,660</u>	<u>68,686</u>
FUND BALANCES END OF YEAR	<u>\$ 297,203</u>	<u>\$ 188,223</u>	<u>\$ 641,112</u>	<u>\$ 73,300</u>

**Schedule 7
(Concluded)**

<u>School District No. 5</u>	<u>School District No. 8</u>	<u>School District No. 22</u>	<u>Sales Tax District No. 1</u>	<u>Total</u>
<u>21,112</u>	<u>18,824</u>	<u>16,246</u>	<u>413,678</u>	<u>699,983</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>21,112</u>	<u>18,824</u>	<u>16,246</u>	<u>413,678</u>	<u>699,983</u>
<u>72,662</u>	<u>108,582</u>	<u>137,068</u>	<u>1,907,175</u>	<u>3,195,202</u>
<u>\$ 93,774</u>	<u>\$ 127,406</u>	<u>\$ 153,314</u>	<u>\$ 2,320,853</u>	<u>\$ 3,895,185</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECTS FUNDS
Combining Balance Sheet
June 30, 2008

	Consolidated School District No. 1	School District No. 1	School District No. 2	School District No. 3
ASSETS				
Cash and interest-bearing accounts	\$ 21,481	\$ 354,030	\$ -	\$ 43,080
Investments	-	-	-	-
Receivables	-	-	-	-
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	<u>21,481</u>	<u>354,030</u>	<u>-</u>	<u>43,080</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	-	-	-	6,052
Contracts payable	-	-	-	-
Payroll deductions, withholdings, and accrued salaries payable	-	-	-	-
Interfund payables	-	-	-	-
Deposits due others	-	-	-	-
Deferred revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,052</u>
FUND BALANCES				
Reserved	-	-	-	-
Unreserved:				
Designated	-	-	-	-
Undesignated reported in:				
Capital projects funds	21,481	354,030	-	37,028
Total Fund Balances	<u>21,481</u>	<u>354,030</u>	<u>-</u>	<u>37,028</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 21,481</u>	<u>\$ 354,030</u>	<u>\$ -</u>	<u>\$ 43,080</u>

Schedule 8

School District No. 8	School District No. 22	Total
\$ -	\$ -	\$ 418,591
-	-	-
-	-	-
-	-	-
-	-	-
-	-	418,591
-	-	418,591
-	-	6,052
-	-	-
-	-	-
-	-	-
-	-	-
-	-	6,052
-	-	6,052
-	-	-
-	-	-
-	-	412,539
-	-	412,539
-	-	412,539
\$ -	\$ -	\$ 418,591

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

	Consolidated School <u>District No. 1</u>	School <u>District No. 1</u>	School <u>District No. 2</u>	School <u>District No. 3</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-
Parish contribution to retirement fund	-	-	-	-
Collection fees from municipalities	-	-	-	-
Tuition	-	-	-	-
Interest earnings	727	11,987	-	3,696
Food services	-	-	-	-
Other local revenue	-	-	-	-
State sources:				
Equalization	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Revenue sharing	-	-	-	-
Other state revenues	-	-	-	-
Federal sources				
Total Revenues	<u>727</u>	<u>11,987</u>	<u>-</u>	<u>3,696</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	-	-	-	-
Special education programs	-	-	-	-
Vocational programs	-	-	-	-
All other instructional programs	-	-	-	-
Support services:				
Student services	-	-	-	-
Instructional staff support	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Business services	-	-	-	-
Plant operation and maintenance	-	-	-	-
Student transportation services	-	-	-	-
Central services	-	-	-	-
Non-instructional services:				
Food services	-	-	-	-
Community service programs	-	-	-	-
Intergovernmental	-	-	-	-
Facilities acquisition and construction	-	-	-	40,484
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Bond issuance and other costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,484</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

	<u>Consolidated School District No. 1</u>	<u>School District No. 1</u>	<u>School District No. 2</u>	<u>School District No. 3</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>727</u>	<u>11,987</u>	<u>-</u>	<u>(36,788)</u>
OTHER FINANCING SOURCES (USES):				
<i>Operating transfers in</i>	-	-	-	-
<i>Operating transfers out</i>	-	-	-	(40,000)
<i>Indirect costs</i>	-	-	-	-
<i>Proceeds from sale of bonds</i>	-	-	-	-
<i>Refunding bonds issued</i>	-	-	-	-
<i>Payment to bond refunding escrow agent</i>	-	-	-	-
<i>Proceeds from hurricane damages</i>	-	-	-	-
<i>Proceeds from sale of fixed assets</i>	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>
SPECIAL ITEM:				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	727	11,987	-	(76,788)
FUND BALANCES BEGINNING OF YEAR	<u>20,754</u>	<u>342,043</u>	<u>-</u>	<u>113,816</u>
FUND BALANCES END OF YEAR	<u>\$ 21,481</u>	<u>\$ 354,030</u>	<u>\$ -</u>	<u>\$ 37,028</u>

**Schedule 9
(Concluded)**

School District No. 8	School District No. 22	Total
-	-	(24,074)
-	-	-
-	-	(40,000)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	(40,000)
-	-	-
-	-	(64,074)
-	-	476,613
\$ -	\$ -	\$ 412,539

JEFFERSON DAVIS PARISH SCHOOL BOARD
 AGENCY FUNDS
 Combining Balance Sheet
 June 30, 2008

Schedule 10

	<u>School Activity</u>	<u>Sales & Use Tax</u>	<u>Total Agency</u>
ASSETS			
Cash and interest-bearing accounts	\$ 740,421	\$ 1,012,664	\$ 1,753,085
Non-negotiable certificates of deposit	296,091	-	296,091
TOTAL ASSETS	<u>\$ 1,036,512</u>	<u>\$ 1,012,664</u>	<u>\$ 2,049,176</u>
LIABILITIES			
Due to other governments	\$ -	\$ 1,005,866	\$ 1,005,866
Deposits due others	1,036,512	6,798	1,043,310
TOTAL LIABILITIES	<u>\$ 1,036,512</u>	<u>\$ 1,012,664</u>	<u>\$ 2,049,176</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
 AGENCY FUND - SCHOOL ACTIVITY FUNDS
 Schedule of Changes in Deposits Due Others
 For the Year Ended June 30, 2008

Schedule 11-1

School District	School Name	Balance Beginning	Additions	Reductions	Balance Ending
22	Elton Elementary	\$ 70,967	\$ 117,186	\$ 110,861	\$ 77,292
22	Elton High	104,957	232,540	195,726	141,771
5	Fenton Elementary	33,265	53,334	46,206	40,393
3	Hathaway	98,336	212,987	238,693	72,630
2	Jennings Elementary	21,625	81,010	92,180	10,455
2	Jennings High	247,040	502,581	490,231	259,390
2	Jennings Ward Elementary	4,269	105,164	99,595	9,838
8	Lacassine	86,072	278,634	264,788	99,918
1	Lake Arthur Elementary	88,038	119,327	109,386	97,979
1	Lake Arthur High	113,341	277,346	293,333	97,354
CSD1	Welsh Elementary	42,894	145,725	133,206	55,413
CSD1	Welsh High	49,734	276,275	281,218	44,791
CSD1	Welsh-Roanoke Junior High	28,461	65,605	64,778	29,288
Total		\$ 988,999	\$ 2,467,714	\$ 2,420,201	\$ 1,036,512

**JEFFERSON DAVIS PARISH SCHOOL BOARD
 AGENCY FUND - SALES AND USE TAX FUND
 Schedule of Changes in Deposits Due Others
 For the Year Ended June 30, 2008**

Schedule 11-2

	<u>Protested Account</u>	<u>Regular Account</u>	<u>Total Fund</u>
Deposit Balances at Beginning of Year	6,576	708,137	714,713
Additions:			
Sales tax collections, net of fees and refunds	222	19,987,976	19,988,198
Less settlements to regular account			
Deducted from collections:			
Collection fees charged to municipalities		207,784	207,784
Refunds		8,763	8,763
Legal Fees			-
Interest earnings		28,293	28,293
Total Additions	<u>222</u>	<u>20,232,816</u>	<u>20,233,038</u>
Reductions:			
Distributions to taxing bodies:			
JDPSB General Fund	-	9,041,289	9,041,289
City of Jennings	-	4,718,092	4,718,092
Town of Lake Arthur	-	679,958	679,958
Town of Welsh	-	717,867	717,867
Town of Elton	-	152,957	152,957
Village of Fenton	-	38,461	38,461
Tourist Commission	-	108,743	108,743
JDPSB Sales Tax District 1	-	1,393,101	1,393,101
JD Sheriff's Office	-	699,018	699,018
Refunds	-		-
Legal Fees	-		-
Road Sales Tax District 1	-	2,385,601	2,385,601
Total Reductions	<u>-</u>	<u>19,935,087</u>	<u>19,935,087</u>
Deposit Balances at End of Year	<u>\$ 6,798</u>	<u>\$ 1,005,866</u>	<u>\$ 1,012,664</u>

JEFFERSON DAVIS PARISH SCHOOL BOARD
Schedule of Compensation and Other Expenses Paid to School Board Members
For the Year Ended June 30, 2008

Schedule 12

<u>Board Member</u>	<u>Election District</u>	<u>School District Represented</u>	<u>Salary</u>	<u>Employer Taxes</u>	<u>Employer Insurance</u>	<u>Travel Expense</u>	<u>Total</u>
Dodson, Malon	1	1	\$ 7,200	\$ 104		\$ 235	\$ 7,539
Bordelon, Greg	2	1	7,200	551		126	7,877
Gilbeaux, Harry O., Jr.	3	2	7,200	551	5,069		12,820
Menard, Robert	4	2	7,200	551			7,751
Dees, Donald	5	2	7,200	551			7,751
Capdeville, David	6	2	7,200	551	4,422		12,173
Segura, James E.	7	2	7,200	551			7,751
Heinen, Michael J.	8	3	7,200	551			7,751
Bruchhaus, Charles	9	22	7,200	551		361	8,112
McNabb, Richard	10	5	6,600	505		476	7,581
Boudreaux, Mark	11	CSD-1	7,200	551			7,751
Bouley, Jason	12	CSD-1	7,200	551	4,640		12,391
Caraway, Julius	13	8	9,000	689		403	10,092
			<u>\$ 94,800</u>	<u>\$ 6,808</u>	<u>\$ 14,131</u>	<u>\$ 1,601</u>	<u>\$ 117,340</u>

The above schedule of compensation and reimbursed travel expenses paid to school board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The compensation and reimbursed expenses of school board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the school board members have elected the monthly payment method of compensation. Under this method, each member of the school board receives \$350 per month (\$650 effective 9/1/2007), and the president receives \$450 per month (\$750 effective 9/1/2007) for performing the duties of his office.

JEFFERSON DAVIS PARISH SCHOOL BOARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008

Schedule 13

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture :			
Passed through Louisiana Department of Education:			
Child Nutritional Cluster:			
National School Lunch Program	10.555	Unavailable	\$ 1,259,450
School Breakfast Program	10.553	Unavailable	386,110
Total Child Nutritional Cluster			<u>1,645,560</u>
Passed through Louisiana Department of Agriculture & Forestry:			
USDA Commodities	10.550	Unavailable	206,822
Total U.S. Department of Agriculture			<u>1,852,382</u>
U.S. Department of Education :			
Passed through Louisiana Department of Education:			
Special Education Cluster:			
Special Education-Grants to States	84.027	H027A070033	1,465,441
Special Education -Preschool Grants	84.173	H173A070082	68,188
Total Special Education Cluster			<u>1,533,629</u>
Adult Education -State Grant Program	84.002	{ V002A050018 V002A070018 }	47,845
Title I-Grants to Local Educational Agencies	84.010	S010A070018	1,697,736
Migrant Education-Basic State Grant Program-	84.011	{ S011A070018 S011A060018 S011A040018 }	135,065
Vocational Education -Basic Grants to States (Perkins III)	84.048	{ V048A040018 V048A050018 }	89,122
Safe and Drug Free Schools and Communities -State Grants	84.186	Q186A070019	28,810
Innovative Education Program Strategies	84.298	S298A070018	12,118
Technology Literacy Challenge Fund Grants	84.318	{ S318X070018 S318X060018 }	11,086
Improving Teacher Quality State Grants	84.367	S367A070017	444,324
Rural Education Achievement Program	84.358	{ S358B070018 S358B060018 }	166,112
Hurricane Education Recovery	84.938	S938A060002A	67,958
Total U.S. Department of Education			<u>4,233,805</u>
U.S. Department of Health and Human Services :			
Passed through Louisiana Department of Education			
Temporary Assistance for Needy Families [TANF]	93.558	G0702LATANF	3,543
Total U.S. Department of Health and Human Services			<u>3,543</u>
U.S. Department of Labor :			
Passed through Calcasieu Parish Police Jury, State of Louisiana:			
Workforce Investment Act	17.255	Unavailable	119,305
Total U.S. Department of Labor			<u>119,305</u>
Total Expenditures of Federal Awards			<u>\$ 6,209,035</u>

See accompanying notes to schedule of expenditures of federal awards.

**JEFFERSON DAVIS PARISH SCHOOL BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Jefferson Davis Parish School Board and is presented on the modified accrual basis of accounting, the same basis as the accompanying basic financial statements are presented. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. All information is presented for the same fiscal year ending as the accompanying financial statements. Since some of the grants cover fifteen (15) month periods, the amounts contained in the accompanying schedule of expenditures of federal awards may differ from the financial status reports filed with the grantor agency.

2. NONCASH FEDERAL ASSISTANCE –FOOD COMMODITIES

Noncash assistance, received from the U.S. Department of Agriculture, in the form of food commodities are reported in the accompanying schedule of expenditures of federal awards at fair market value of \$206,822.

3. SUBRECIPIENTS

The Jefferson Davis Parish School Board, acting as regional sponsor for area school boards and community action agencies, provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided</u>
Migrant Education –Basic State Grant Program	84.011	\$ 135,065
Total		<u>\$ 135,065</u>

THIS PAGE INTENTIONALLY LEFT BLANK

Mike B. Gillespie, CPA

(A Professional Accounting Corporation)

414 East Nezpique Street
PO Box 1347, Jennings, LA 70546
Phone (337) 824-7773

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

To the Members of the
Jefferson Davis Parish School Board
Jennings, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Davis Parish School Board (School Board) as of and for the year ended June 30, 2008, which collectively comprise the School Boards' basic financial statements and have issued our report thereon dated December 17, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School Board's financial statements that is more than inconsequential will not be prevented or detected by the School Board's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs, listed as item 2008-1, to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School Board's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 2008-1 to be material weaknesses.

Compliance and Other Matters

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

The School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the School Board's responses and, accordingly, we express no opinions on them.

This report is intended for the information and use of the audit committee (officially referred to as the finance committee), School Board, management, others within the organization, and the Louisiana Legislative Audit Advisory Council, 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. However, this report is a matter of public record and its distribution is not limited.

Mike B. Gillespie, CPA, APAC

Jennings, Louisiana
December 17, 2008

Mike B. Gillespie, CPA

(A Professional Accounting Corporation)

414 East Nezpique Street

PO Box 1347, Jennings, LA 70546

Phone (337) 824-7773

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Members of the
Jefferson Davis Parish School Board
Jennings, Louisiana

Compliance

We have audited the compliance of the Jefferson Davis Parish School Board (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, 2008. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the 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 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 School Board's compliance with those requirements.

In our opinion the 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, 2008.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to

federal programs. In planning and performing our audit, we considered the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employee, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or be material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The School Board's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the School Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee (officially referred to as the finance committee), management, others within the organization, the Jefferson Davis Parish School Board, federal awarding agencies and pass-through entities, and the Louisiana Legislative Audit Advisory Council and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Mike B. Gillespie, CPA, APAC

Jennings, Louisiana
December 17, 2008

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1. Type of report issued on financial statements: unqualified opinion on the basic financial statements
2. Significant deficiencies relating to the audit of the financial statements reported? - Yes
3. Noncompliance material to financial statements disclosed? - No
4. Was a management letter issued? - No

Federal Awards

5. Significant deficiencies relating to the audit of the major federal award programs reported? - No
6. Type of auditor's report issued on compliance for major programs: unqualified opinion
7. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? - No
8. The programs tested as major programs included:

<u>CFDA No.</u>	<u>Cluster Title or Program Name</u>
10.555	Child Nutritional Cluster – National School Lunch Program
10.553	Child Nutritional Cluster – School Breakfast Program
84.010	Title I –Grants to Local Educational Agencies
84.367	Improving Teacher Quality State Grants

9. The dollar threshold used for distinguishing between Type A and B programs was: \$300,000
10. Did auditee qualify as a low-risk auditee? - No

SECTION II – FINANCIAL STATEMENT AUDIT FINDINGS

Unresolved Prior Year Findings:

Item: 2007-1

Finding/ Specific Requirement: Controls over recording of accounts payable
See item 2008-1 below.

Condition: Review of controls over recording of accounts payable disclosed material weaknesses during the audit of the financial statements.

Recommendation: Written procedures detailing accounts payable process should be developed and reviewed with those involved in completing reporting period end task. Procedures should include a description of how items accrued within the accounting period are to be determined (such as date goods received or services provided in addition to specifics for how to handle contract payables and retainage).

Someone other than the person preparing accounts payables should review and test the reporting period process and initial and date as approved. We also recommend that receiving procedures include documenting receiving dates and provision of written evidence that goods and supplies were inspected and recounted upon receipt. This information (including packing slips and purchase order receiving copy forms) should be forwarded to the accounting department and matched with invoices before payment to help ensure that financial statements reflect all goods received in the period as well as the related accounts payables.

Current Status: Based on findings contained in current year **Item 2008-1** below this issue has not been resolved.

Current Year Findings:

Item: 2008-1 (in essence a repeat of Item 2007-1)

Finding/ Specific Requirement: Controls over recording of accounts payable

Condition: Review of controls over recording of accounts payable disclosed material weaknesses during the audit of the financial statements.

Cause of Condition: During a review of accounts payable cutoff procedures, we discovered a total of \$120,633.10 of unrecorded accounts payables (\$36,043.10 of unrecorded payables in the General Fund and \$84,590.00 of unrecorded payables in Special Revenue School District 1 Maintenance Fund) as of June 30, 2008. The following is a summary items discovered:

Potential Cause	Vendor/ Expenditure Type	Amount
Payment date of July 2, 2008 used to assess recognition date instead of date delivered in last week of June 2008. No indication of receiving date in information provided to accounting department from purchasing manager.	Economical Janitorial & Paper Supplies, Inc./ Copy paper	\$23,814.00
Not accrued by accounting department because contract status information at year end was not provided by purchasing manager with payment request.	Twin City Electric Company/ Final contract payment on generator installed at Lacassine High School	\$12,229.10
Not accrued by accounting department because contract status information at year end was not provided by purchasing manager with payment request.	Trahan Construction LLC/ Renovations of covered walkways at Lake Arthur High School	\$84,590.00
		\$120,633.10

In addition to the above, we noted that on some invoices reviewed during our cutoff procedures that the date goods and supplies were being received was not being documented. In addition, some invoices did not have written evidence that someone had inspected and counted goods received. We also noted that in some instances packing slips and/ or purchased order receiving report copies were not being forwarded to

the accounting department with documented dates of when goods were being received for some purchased reviewed during our procedures.

Effect of Condition: Liabilities and expenditures in the fund financial statements were understated by \$120,633.10. In the government-wide financial statement liabilities were understated by \$120,633.10 and inventory was understated \$23,814.00 and exhaustible capital assets was understated \$96,819.10. These amounts have been reviewed by management and booked as adjustments in the accompanying audit financial statements.

Recommendation: Written procedures detailing accounts payable process should be developed and reviewed with those involved in completing reporting period end task. Procedures should include a description of how items accrued within the accounting period are to be determined (such as date goods received or services provided in addition to specifics for how to handle contract payables and retainage). Someone other than the person preparing accounts payables should review and test the reporting period process and initial and date as approved. We also recommend that receiving procedures include documenting receiving dates and provision of written evidence that goods and supplies were inspected and recounted upon receipt. This information (including packing slips and purchase order receiving copy forms) should be forwarded to the accounting department and matched with invoices before payment to help ensure that financial statements reflect all goods received in the period as well as the related accounts payables.

Management Response: Management has reviewed the recommendations and will implement them as best as they can in the near future. Contact person: Bill Hebert, Director of Finance.

SECTION III –MAJOR FEDERAL AWARD PROGRAMS AUDIT FINDINGS AND QUESTIONED COSTS

Unresolved Prior Year Findings:

None

Current Year Findings:

None

**JEFFERSON DAVIS PARISH SCHOOL BOARD
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR
CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2008**

SECTION I – FINANACIAL STATEMENT FINDINGS

Item: 2008-1

Finding/ Specific Requirement: Controls over recording of accounts payable

Recommendation: Written procedures detailing accounts payable process should be developed and reviewed with those involved in completing reporting period end task. Procedures should include a description of how items accrued within the accounting period are to be determined (such as date goods received or services provided in addition to specifics for how to handle contract payables and retainage). Someone other than the person preparing accounts payables should review and test the reporting period process and initial and date as approved. We also recommend that receiving procedures include documenting receiving dates and provision of written evidence that goods and supplies were inspected and recounted upon receipt. This information (including packing slips and purchase order receiving copy forms) should be forwarded to the accounting department and matched with invoices before payment to help ensure that financial statements reflect all goods received in the period as well as the related accounts payables.

Corrective Action Planned: Management has reviewed the recommendations and will implement them as best as they can in the near future. Contact person: Bill Hebert, Director of Finance. Completion date: near future.

SECTION II – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No current year findings reported.

SECTION III – MANAGEMENT LETTER FINDINGS

No current year findings reported.

* * * * *

THIS CORRECTIVE ACTION PLAN HAS BEEN PREPARED BY MANAGEMENT

**JEFFERSON DAVIS PARISH SCHOOL BOARD
MANAGEMENT'S STATUS OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2008**

SECTION I – FINANACIAL STATEMENT FINDINGS

Item: 2007-1

Finding/ Specific Requirement: Controls over recording of accounts payable

Recommendation: A detailed listing of open accounts payable should be prepared and reconciled to general ledger control accounts of each fund for each reporting period. Written procedures detailing accounts payable process should be developed and reviewed with those involved in completing reporting period end task. Procedures should include a description of how items accrued within the accounting period are to be determined (such as date goods received or services provided in addition to specifics for how to handle contract payables and retainage). Someone other than the person preparing accounts payables should review and test the reporting period process and initial and date as approved. We also recommend that receiving procedures include documenting receiving dates and provision of written evidence that goods and supplies were inspected and recounted upon receipt. This information (including packing slips and purchase order receiving copy forms) should be forwarded to the accounting department and matched with invoices before payment to help ensure that financial statements reflect all goods received in the period as well as the related accounts payables.

Current Status: See correction action planned for Item 2008-1 contained in Management's Corrective Action Plan for Current Year Audit Findings.

SECTION II – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings reported.

SECTION III – MANAGEMENT LETTER FINDINGS

No findings reported.

* * * * *

THIS STATUS OF PRIOR YEAR FINDINGS HAS BEEN PREPARED BY MANAGEMENT

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

Schedules Required by State Law
(R.S. 24:514 Performance and Statistical Data)
Year Ended June 30, 2008

THIS PAGE INTENTIONALLY LEFT BLANK

**JEFFERSON DAVIS PARISH SCHOOL BOARD
JENNINGS, LOUISIANA**

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

	<u>Schedule</u>	<u>Page</u>
Independent Accountant's Report On Applying Agreed-upon Procedures		1-4
General Fund Instructional and Support Expenditures And Certain Local Revenues Sources	1	5
Education Levels of Public School Staff	2	6
Number and Type of Public Schools	3	7
Experience of Public Principals and Full-time Classroom Teachers	4	8
Public School Staff Data	5	9
Class Size Characteristics	6	10
Louisiana Educational Assessment Program (LEAP)	7	11
The Graduation Exit Exam	8	12
The iLEAP Tests	9	13-15

**Independent Accountant's Report
On Applying Agreed-Upon Procedures
For the Year Ending June 30, 2008**

To the Management of Jefferson Davis Parish School Board

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Jefferson Davis Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Jefferson Davis Parish 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. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

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

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

Findings: No exceptions were found as a result of applying the procedure.

Education Levels of Public School Staff (Schedule 2)

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

Findings: No exceptions were found as a result of applying the procedure.

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

Findings: No exceptions were found as a result of applying the procedure.

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

Findings: No exceptions were found as a result of applying the procedure.

Number and Type of Public Schools (Schedule 3)

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

Findings: No exceptions were found as a result of applying the procedure.

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

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

Findings: No exceptions were found as a result of applying the procedure.

Public Staff Data (Schedule 5)

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

Findings: No exceptions were found as a result of applying the procedure.

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

Findings: No exceptions were found as a result of applying the procedure.

Class Size Characteristics (Schedule 6)

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

Findings: No exceptions were found as a result of applying the procedure.

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

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

Findings: No exceptions were found as a result of applying the procedure.

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

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

Findings: No exceptions were found as a result of applying the procedure.

The Iowa Tests (Schedule 9)

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

Findings: No exceptions were found as a result of applying the procedure.

* * * * *

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions about the performance and statistical data contained in

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

Mike B. Gillespie, CPA, APAC

Certified Public Accountant

Jennings, Louisiana

December 17, 2008

**JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana**

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2008**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 17,295,426	
Other Instructional Staff Salaries	2,021,426	
Employee Benefits	7,583,983	
Purchased Professional and Technical Services	306,581	
Instructional Materials and Supplies	2,161,012	
Instructional Equipment	<u>243,174</u>	
Total Teacher and Student Interaction Activities		\$ 29,611,602

Other Instructional Activities 606,761

Pupil Support Activities	2,448,720	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		2,448,720

Instructional Staff Services	2,026,165	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		2,026,165

School Administration	3,414,616	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>3,414,616</u>

Total General Fund Instructional Expenditures \$ 38,107,884

Total General Fund Equipment Expenditures \$ 271,449

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	829,766	
Renewable Ad Valorem Tax	2,973,312	
Debt Service Ad Valorem Tax	2,224,198	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	137,147	
Sales and Use Taxes	<u>10,460,376</u>	
Total Local Taxation Revenue		<u>\$ 16,624,799</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	23,864	
Earnings from Other Real Property	<u>9,230</u>	
Total Local Earnings on Investment in Real Property		<u>\$ 33,094</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	73,310	
Revenue Sharing - Other Taxes	194,479	
Revenue Sharing - Excess Portion	32,711	
Other Revenue in Lieu of Taxes	<u>-</u>	
Total State Revenue in Lieu of Taxes		<u>\$ 300,500</u>

Nonpublic Textbook Revenue \$ 10,425

Nonpublic Transportation Revenue \$ 11,991

Education Levels of Public School Staff
 As of October 1, 2007

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0%	0	0%	0	0%	0	0%
Bachelor's Degree	271	69%	0	0%	0	0%	0	0%
Master's Degree	85	22%	0	0%	11	38%	0	0%
Master's Degree + 30	31	8%	0	0%	14	48%	0	0%
Specialist in Education	5	1%	0	0%	3	10%	0	0%
Ph. D. or Ed. D.	0	0%	0	0%	1	4%	0	0%
Total	392	100%	0	0%	29	100%	0	0%

Number and Type of Public Schools
For the Year Ended June 30, 2008

Type	Number
Elementary	6
Middle/Jr. High	1
Secondary	4
Combination	2
Total	13

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

JEFFERSON DAVIS PARISH SCHOOL BOARD
Jennings, Louisiana

Schedule 4

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2007

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	1	7	4	3	16
Principals	0	0	0	1	0	2	10	13
Classroom Teachers	34	27	90	53	76	46	66	392
Total	34	27	91	55	83	52	79	421

Public School Staff Data: Average Salaries
 For the Year Ended June 30, 2008

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salary Including Extra Compensation	\$46,940.07	\$46,930.32
Average Classroom Teachers' Salary Excluding Extra Compensation	\$46,193.90	\$46,180.34
Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries	393.0808027	391.0808027

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

**Class Size Characteristics
 As of October 2, 2007**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	77%	773	19%	194	2%	23	1%	9
Elementary Activity Classes	60%	81	34%	46	6%	8	0%	0
Middle/Jr. High	60%	53	18%	16	22%	19	0%	0
Middle/Jr. High Activity Classes	50%	6	17%	2	33%	4	0%	0
High	64%	479	19%	143	16%	117	1%	4
High Activity Classes	81%	111	11%	15	7%	10	1%	1
Combination	85%	385	11%	50	3%	12	1%	5
Combination Activity Classes	76%	34	13%	6	2%	1	9%	4

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

Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	18	4%	21	5%	27	6%	19	4%	26	7%	27	6%
Mastery	86	18%	91	24%	120	26%	99	21%	63	16%	95	21%
Basic	230	50%	190	49%	231	51%	213	46%	195	50%	229	50%
Approaching Basic	70	15%	50	13%	52	12%	78	17%	72	19%	70	15%
Unsatisfactory	61	13%	34	9%	24	5%	56	12%	30	8%	33	7%
Total	465	100%	386	100%	454	100%	465	100%	386	100%	454	99%

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	26	6%	18	5%	11	2%	9	2%	23	6%	7	2%
Mastery	96	21%	92	24%	120	27%	79	17%	71	18%	104	23%
Basic	225	48%	188	49%	226	50%	277	60%	214	55%	245	54%
Approaching Basic	85	18%	71	18%	78	17%	62	13%	53	14%	65	14%
Unsatisfactory	31	7%	17	4%	19	4%	36	8%	25	7%	32	7%
Total	463	100%	386	100%	454	100%	463	100%	386	100%	453	100%

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	8	2%	4	1%	10	3%	14	3%	16	4%	7	2%
Mastery	52	12%	53	13%	72	19%	24	5%	23	6%	21	6%
Basic	209	48%	206	52%	195	52%	257	58%	219	55%	234	63%
Approaching Basic	145	33%	120	30%	89	24%	87	20%	101	25%	88	23%
Unsatisfactory	22	5%	16	4%	8	2%	62	14%	40	10%	24	6%
Total	436	100%	399	100%	374	100%	444	100%	399	100%	374	100%

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	6	1%	9	2%	5	1%	4	1%	4	1%	0	0%
Mastery	63	15%	75	19%	99	27%	57	13%	46	11%	49	13%
Basic	211	49%	192	48%	173	46%	219	51%	230	58%	230	62%
Approaching Basic	115	26%	95	24%	81	22%	96	22%	86	22%	65	17%
Unsatisfactory	39	9%	28	7%	16	4%	58	13%	33	8%	30	8%
Total	434	100%	399	100%	374	100%	434	100%	399	100%	374	100%

Graduation Exit Examination (GEE)
For the Year Ended June 30, 2008

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2007		2008		2006		2007		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10, 11												
Advanced	4	1%	7	2%	5	1%	36	10%	29	9%	45	12%
Mastery	34	9%	53	16%	50	13%	73	20%	58	18%	70	18%
Basic	223	60%	169	53%	207	54%	162	44%	153	48%	173	45%
Approaching Basic	79	22%	71	22%	97	25%	55	15%	55	17%	59	15%
Unsatisfactory	30	8%	21	7%	27	7%	43	11%	26	8%	39	10%
Total	370	100%	321	100%	386	100%	369	100%	321	100%	386	100%

District Achievement Level Results	Science						Social Studies					
	2006		2007		2008		2006		2007		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10, 11												
Advanced	13	4%	16	5%	9	3%	2	1%	5	2%	2	1%
Mastery	60	18%	78	24%	70	22%	24	7%	36	11%	35	11%
Basic	150	46%	144	45%	145	46%	197	60%	192	59%	199	63%
Approaching Basic	85	26%	66	20%	73	23%	68	21%	66	20%	58	18%
Unsatisfactory	20	6%	20	6%	19	6%	36	11%	25	8%	22	7%
Total	328	100%	324	100%	316	100%	327	100%	324	100%	316	100%

iLEAP Tests
For the Year Ended June 30, 2008

iLEAP Tests 2006

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	10	2%	25	6%	13	3%	10	2%
Mastery	85	21%	81	20%	62	15%	67	16%
Basic	181	44%	182	44%	194	47%	207	50%
Approaching Basic	74	18%	71	17%	104	25%	79	19%
Unsatisfactory	61	15%	53	13%	38	9%	48	12%
Total	411	100%	412	100%	411	100%	411	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	14	3%	20	5%	14	3%	20	5%
Mastery	67	16%	45	11%	89	21%	51	12%
Basic	238	56%	235	55%	193	46%	207	49%
Approaching Basic	78	18%	70	17%	94	22%	87	21%
Unsatisfactory	27	6%	54	13%	34	8%	59	14%
Total	424	100%	424	100%	424	100%	424	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	25	6%	18	5%	12	3%	10	3%
Mastery	78	20%	54	14%	86	22%	46	12%
Basic	210	53%	226	57%	194	49%	218	55%
Approaching Basic	61	15%	60	15%	68	17%	83	21%
Unsatisfactory	22	6%	38	10%	36	9%	38	10%
Total	396	100%	396	100%	396	100%	395	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	27	6%	14	3%	8	2%	2	0%
Mastery	71	16%	39	9%	64	15%	46	11%
Basic	204	47%	231	53%	190	44%	220	51%
Approaching Basic	96	22%	89	21%	111	26%	103	24%
Unsatisfactory	37	9%	61	14%	60	14%	63	15%
Total	435	100%	434	100%	433	100%	434	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2006		2006	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	8	2%	33	9%
Mastery	56	14%	37	10%
Basic	220	57%	214	55%
Approaching Basic	88	23%	61	16%
Unsatisfactory	17	4%	42	11%
Total	389	100%	387	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	25	5%	47	10%	21	5%	26	6%
Mastery	125	27%	105	23%	87	19%	96	21%
Basic	222	48%	199	43%	213	47%	222	48%
Approaching Basic	49	11%	78	17%	114	25%	86	19%
Unsatisfactory	37	8%	29	6%	23	5%	28	6%
Total	458	100%	458	100%	458	100%	458	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	16	4%	20	5%	14	3%	17	4%
Mastery	82	19%	56	13%	86	20%	53	13%
Basic	219	52%	212	50%	193	46%	210	50%
Approaching Basic	73	17%	77	18%	102	24%	84	20%
Unsatisfactory	31	7%	56	13%	26	6%	57	14%
Total	421	100%	421	100%	421	100%	421	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	13	3%	13	3%	4	1%	13	3%
Mastery	80	19%	56	13%	66	16%	45	11%
Basic	230	55%	241	57%	216	51%	224	53%
Approaching Basic	69	16%	65	15%	108	26%	105	25%
Unsatisfactory	30	7%	47	11%	28	7%	35	8%
Total	422	100%	422	100%	422	100%	422	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2007		2007		2007		2007	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	23	6%	11	3%	12	3%	6	2%
Mastery	83	22%	45	12%	86	22%	71	19%
Basic	203	53%	229	60%	197	51%	220	57%
Approaching Basic	62	16%	74	19%	73	19%	72	19%
Unsatisfactory	12	3%	25	7%	15	4%	14	4%
Total	383	100%	384	100%	383	100%	383	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2007		2007	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	5	1%	32	7%
Mastery	70	16%	37	8%
Basic	232	53%	233	53%
Approaching Basic	105	24%	79	18%
Unsatisfactory	24	6%	55	13%
Total	438	100%	436	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	21	5%	41	10%	17	4%	21	5%
Mastery	114	27%	92	22%	77	18%	109	26%
Basic	194	46%	193	46%	207	49%	197	47%
Approaching Basic	58	14%	55	13%	91	22%	65	16%
Unsatisfactory	32	8%	38	9%	27	6%	27	6%
Total	419	100%	419	100%	419	100%	419	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	17	5%	32	9%	14	4%	17	5%
Mastery	63	18%	47	13%	62	18%	71	20%
Basic	173	49%	178	50%	174	49%	172	49%
Approaching Basic	67	19%	53	15%	69	19%	65	18%
Unsatisfactory	34	10%	43	12%	35	10%	29	8%
Total	354	100%	353	100%	354	100%	354	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	11	3%	21	5%	11	3%	11	3%
Mastery	81	19%	42	10%	70	17%	47	11%
Basic	238	57%	232	56%	229	55%	248	60%
Approaching Basic	66	16%	73	18%	81	19%	69	17%
Unsatisfactory	20	5%	48	12%	25	6%	41	10%
Total	416	100%	416	100%	416	100%	416	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2008		2008		2008		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	25	7%	5	1%	5	1%	2	1%
Mastery	78	20%	23	6%	60	15%	58	15%
Basic	211	53%	232	56%	215	54%	228	57%
Approaching Basic	70	18%	88	22%	78	20%	61	15%
Unsatisfactory	15	4%	52	13%	42	11%	51	13%
Total	400	100%	400	100%	400	100%	400	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2008		2008	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	3	1%	16	4%
Mastery	57	14%	36	9%
Basic	245	60%	236	58%
Approaching Basic	89	22%	85	21%
Unsatisfactory	13	3%	36	9%
Total	408	100%	409	100%