

**Lafourche Parish  
School Board**

**Comprehensive  
Annual  
Financial Report**

**June 30, 2005**

## LAFOURCHE PARISH SCHOOL BOARD



Seated from left: Constance Williams; Rhoda Caldwell; Jo Ann Matthews (Superintendent); Louis Thibodaux; (President); Loretta Duplantis; Melanie Boulet; Stella Lasseigne. Standing from left: Larry Pitre; Al Archer; Rebecca Duet; Gary Foret; Robert Naquin; G.A. Rodrigue, Jr.; Dave DeFelice, Jr.; Roy Landry; Jon Callais.

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For Fiscal Year Ending  
June 30, 2005*

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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

2/1/06

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LAFOURCHE PARISH SCHOOL BOARD  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Year Ended June 30, 2005  
 With Supplemental Schedules

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Louis E. Thibodaux., President

Jo Ann Matthews., Superintendent

# Lafourche Parish School Board

BUSINESS DEPARTMENT

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Transmittal Letter

December 16, 2005

Members of the Lafourche Parish School Board  
805 East Seventh Street  
Thibodaux, Louisiana

The Lafourche Parish School Board is required to issue a complete set of financial statements within six months of the fiscal year end. These statements have been prepared in conformity with generally accepted accounting principles (GAAP) (except that they are being issued later than generally acceptable due to the effects of the two hurricanes) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Therefore, we issue this comprehensive annual financial report of the Lafourche Parish School Board for the fiscal year ended June 30, 2005 in fulfillment of all report requirements.

## MANAGEMENT REPRESENTATIONS

This report consists of management's representations concerning the finances of the Lafourche Parish School Board. Consequently, management assumes full responsibility for both the completeness and reliability of all of the information presented in this report. A reasonable basis for making these representations is based on a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the Lafourche Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Lafourche Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. We assert, as management, to the best of our knowledge and belief, that the enclosed report is complete and reliable in all material aspects.

## AUDITOR'S OPINION

The School Board's financial statements are audited by Stagni & Company, LLC, a firm of licensed independent certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Lafourche Parish School Board for the fiscal year ended June 30,

2005, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Lafourche Parish School Board's financial statements for the fiscal year ended June 30, 2005, are fairly presented in conformity with GAAP. The independent audit report is presented as the first component of the Financial Section of this report.

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

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

### **PROFILE OF THE GOVERNMENT**

The School Board is a legislative body authorized by Louisiana Revised Statute 17:51 to govern the public education system of Lafourche Parish, Louisiana. The 15 members on the board are elected and serve four-year concurrent terms. The main function of the School Board is to provide a full range of services appropriate for students in grade levels ranging from pre-school through grade 12. Services are also provided to students whose education experience has been interrupted to assume adult roles and responsibilities. The services provided include regular and enriched academic instruction, special instruction for children with disabilities, as well as vocational instruction. Other services such as assessment, library, transportation and food services are provided to augment the primary services or to promote the welfare of the students. This report includes all funds of the School Board.

This report excludes the financial information for the other units of parish government, such as the parish council and the municipalities, because they have independently elected parish officials or because the School Board has no oversight responsibility. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine the local supplement to their salaries. Accordingly, the School Board is not included in any other governmental reporting entity since the School Board members are elected by

the public and have decision-making power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

### **PHILOSOPHY, MISSION STATEMENT AND GUIDELINES**

**Philosophy:** The philosophy of the Lafourche Parish School System is based on the belief that education is a cooperative effort among community, school personnel, parents, and students. This unique partnership must work in close harmony as a team. To nurture this ideal, the school system strives to promote a feeling of ownership as well as foster a desire for learning, while providing assistance to parents.

We believe all students can learn the basics of life. This learning best takes place in a safe environment where school personnel serve as positive role models. Such an environment encourages students to develop a sense of responsibility and an understanding of mutual dependence.

Both school and community recognize and respect the dignity and uniqueness of each student. This recognition and respect occur in a positive climate that is innovative, creative, and motivational for learning. As students are taught how to learn, they are encouraged to think critically, reach their potential, and learn to become functioning members of society.

We further believe that the school system shall have purpose and direction with clear goals and objectives in order to produce specific outcomes. The guiding principle in the decision-making process will always be what is in the best interest of the students.

**Mission Statement:** "To provide all students the opportunity to become fully functioning and contributing members of their society."

#### **Guiding principles:**

1. The community must share the responsibility for student learning.
2. All school personnel are teachers.
3. All classroom teachers must share the responsibility for student learning.
4. All parents must share in the responsibility for their children's education.
5. All students can learn.
6. All students must be given equal opportunity to learn.
7. All students must respect the rights of other students to learn.
8. All students must share in the responsibility of their learning.

### **FACTORS AFFECTING FINANCIAL CONDITION**

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



**Local Economy:** Lafourche Parish is located in South Louisiana approximately 50 miles west of New Orleans, which is the largest metropolitan area of the region. The largest segment of the economy is the oil and natural gas extraction industry but there are other aspects to the economy. LOOP, an offshore port, can offload tankers at a maximum rate of 1.4 million barrels per day. It accommodate large tankers that draught up to 110 feet or ones as small as 55,000 dead weight tons.

The Port Fourchon is located on 3,600 acres at the mouth of Bayou Lafourche. It will handle about 20 million tons of cargo this year. Its Multi-use Dock project is already in operation and other expansions to the Port are under way.

In addition to these segments, the parish has planting enterprises, mostly sugar cane, with a gross annual value of \$17.1, wildlife and fishery enterprisers with a gross annual value of \$40.3 million and domestic animal enterprises with a gross annual value of \$12.5 million. The economy also includes agricultural-implemment manufacturing, shipbuilding and machine fabrication.

The Lafourche economy suffered a minor set back when the Houma-Thibodaux MSA lost 2,100 jobs in 2004 mostly due to the decline in activity of the local oil field industry. Even considering this job loss, The Louisiana Economic Outlook: 2005 and 2006 authored by Dr. Loren C. Scott, Dr. James A. Richardson and Dr. A. M. M. Jamal is predicting 2,200 new jobs over the next two years. Also, the job loss has not resulted in less revenue for the School Board. Sales and use tax collections increased by \$1.2 million and the total of net assessed property grew by \$13.5 million during the fiscal year. The growth is sales tax has continued into the next fiscal year with the result of a 5% increase for the first two months.

**Long-term financial planning:** During the 2003 fiscal year, the Transition Team which was impaneled for the 1997 Bond issue worked with the South Central Planning and Development Commission and the architectural firm of Gossen-Gasaway-Holloway, Ltd. to determine the facility needs of the elementary and middle schools. The Team worked to determine the optimum grade configuration and the current state of repair for the buildings currently in use for those grade levels. As a result of these efforts, South Central Planning and Development Commission published the Lafourche Parish School Board: Assessment and Facilities Development Plan while the architectural firm of Gossen-Gasaway-Holloway, Ltd. published the Architectural Needs Assessment Document of the Middle and Elementary Schools for the Lafourche Parish School Board.

These two documents became the basis of a bond election call on July 19, 2003. On that day, the School Board passed a bond referendum of \$50 million by a vote of 3,004 for and 1,009 against. Since the election, School Board was been able to sell \$10 million in December of 2003 with a composite interest rate of 4.32478% the next \$20 million in June of 2004 with a composite interest rate of 4.572434% and the final \$20 million in June of 2005 with a composite interest rate of 4.2486%.

**Cash Management:** The School Board funds available for investment and the methods of investment were as follows:

CATEGORY	2005 (millions)	2004 (millions)
Cash on hand and in demand deposits	\$13.3	\$12.8
LAMP	\$78.2	\$65.8
Time Deposits	\$0.5	\$0.6
Total Cash Equivalents	<u>\$92.0</u>	<u>\$79.2</u>
Governmental Activities	\$85.5	\$72.7
Agency Funds	\$6.5	\$6.5
	<u>\$92.0</u>	<u>\$79.2</u>

The School Board has a policy of depositing funds in either interest bearing demand accounts or certificates of deposit in commercial banks secured by pledged securities and federal deposit insurance. The School Board also deposited funds in the Louisiana Asset Management Pool (LAMP), which provided a higher rate than certificates of deposit with a maturity of less than one year and has been safer than directly purchasing securities of the U. S. Treasury.

The largest increase in cash is from the 2003 Construction Fund. Its cash balance increased by about \$12.9 million mostly due to the sale of the final \$20 million in bonds authorized by the 2003 referendum and was reduced by the expenditures of about \$9.4 million. The Debt Service Fund had an increase in cash of about \$1.2 million since the debt service requirements for the 2003 bond referendum have not been fully realized. The General Fund's cash balance was reduced by \$3.3 million as the School Board drew down some of its reserved fund balance.

**Risk Management:** The School Board provided workers compensation coverage for its employees using a self-insured retention of \$300,000 for each workers compensation claim with an aggregate limit of about \$2.5 million for the period October 2004 to October 2006. The School Board used F. A Richard and Associates for third-party administrative services for this program. The restricted net assets for worker's compensation reached \$4.2 million by June 30.

The School Board's self-funded group health insurance program had a self-insured retention of \$175,000 for each medical claim. The School Board used Benefits Management Services for the TPA services and Highmark Life Insurance Company for re-insurance coverage. The restricted net assets total in the Group Health Insurance Fund was \$1.7 million at June 30.

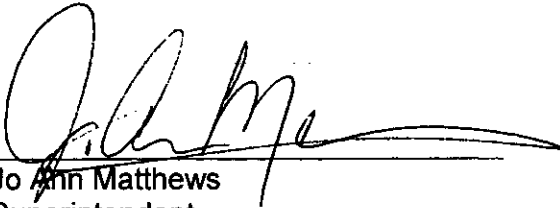
The Board maintained a \$150,000 deductible for general liability, and automobile fleet losses with a \$1 million limit per occurrence, a \$2 million aggregate and a \$1 million umbrella excess limit. The School Board used F. A Richard and Associates for third-party administrative services for these programs. The School Board also

had a building and contents policy covering \$182.4 million of property with a \$250,000 (or 2% of loss) deductible for building and content losses due to wind and hail (named storm), and a \$250,000 deductible for building and content losses from other perils. Hartford Fire covering the first \$15 million, RSUI Indemnity covered the next \$45 million, and the remainder was self-funded. These programs have been accounted for in the General Fund, which uses its unreserved fund balance of \$1.7 million at June 30 to serve the same purpose as the restricted net assets balance has served in the Workers Compensation and Group Health Insurance Funds.

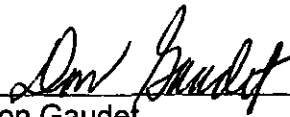
### ACKNOWLEDGMENTS

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Sincerely,



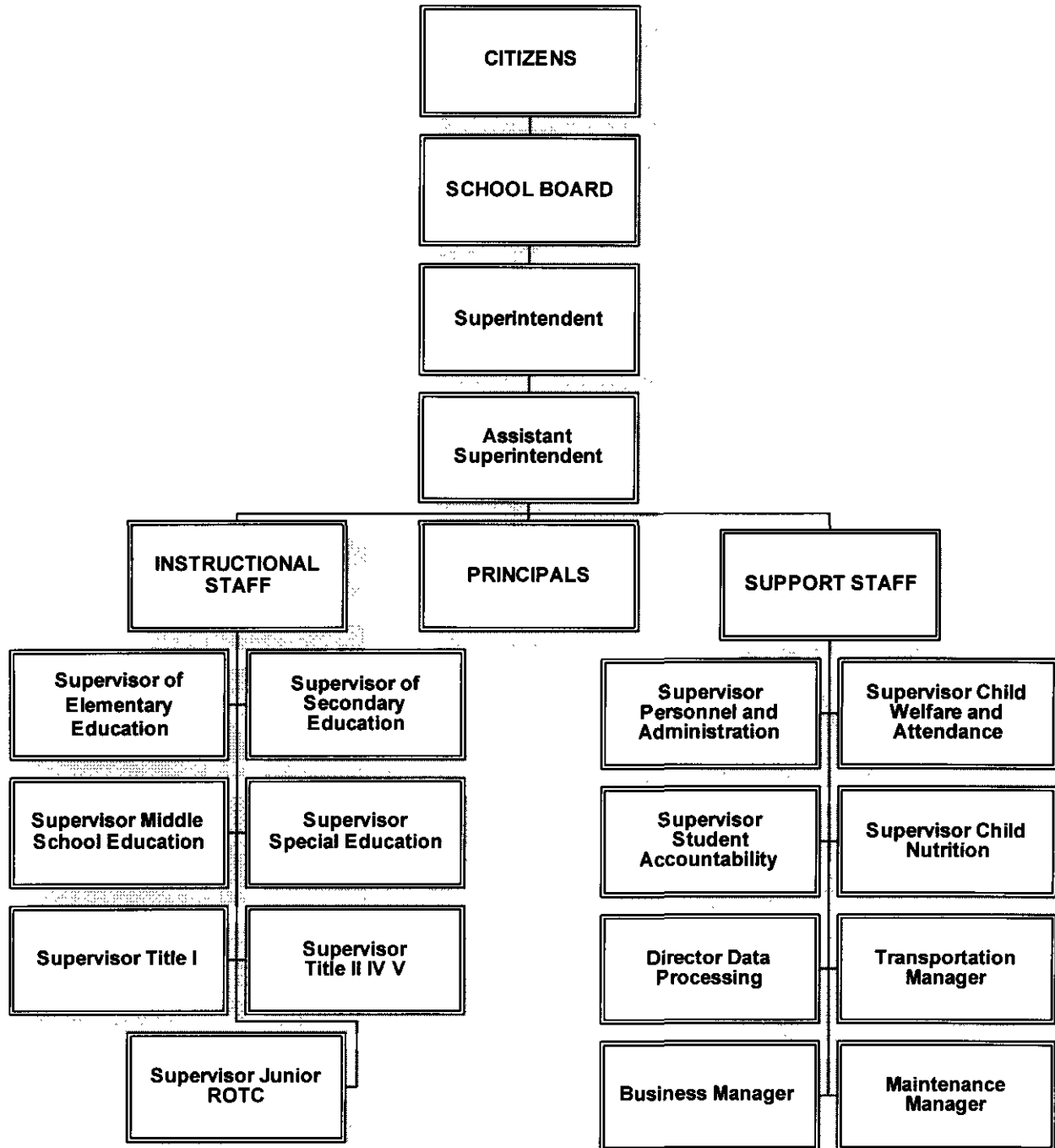
Jo Ann Matthews  
Superintendent



Don Gaudet  
Business Manager

**LAFOURCHE PARISH SCHOOL BOARD**  
**Organizational Structure**

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**LAFOURCHE PARISH SCHOOL BOARD**  
**Thibodaux, Louisiana**

**Principal Officials**

<b><u>SCHOOL BOARD MEMBERS</u></b>	<b><u>DISTRICT</u></b>
Louis E. Thibodaux, president.....	1
Rhoda Caldwell .....	2
Constance Thompson Williams.....	3
Robert P. Naquin.....	4
Stella C. Lasseigne.....	5
G. A. Rodrigue, Jr.....	6
Gary Foret .....	7
Dave J. DeFelice, Jr.....	8
Loretta Duplantis, vice president.....	9
Melanie Boulet.....	10
Roy Landry .....	11
Jon C. Callais .....	12
Al Archer.....	13
Larry Pitre.....	14
Rebecca Duet.....	15

<b><u>ADMINISTRATORS</u></b>	<b><u>POSITION</u></b>
JoAnn Matthews.....	Interim Superintendent
Gary Babin .....	Assistant Superintendent
Louis Voiron .....	Supervisor of Elementary Education
Julie Bourgeois.....	Supervisor of Secondary Education
Pamela Folse .....	Supervisor of Middle Schools
Linda Dangerfield .....	Supervisor of Special Education
Van Cheramie .....	Supervisor of Title I
John "Chris" Bowman, III.....	Supervisor of Titles II IV & V
Lt. Col. Arthur Rice .....	Supervisor of Junior ROTC
Francis Rodriguez .....	Supervisor of Personnel and Administration
Ray Bernard .....	Supervisor of Child Welfare and Attendance
Frank Pasqua .....	Supervisor of Child Welfare and Attendance
Marian Fertitta .....	Supervisor of Student Accountability
Dr. Faye Robichaux.....	Supervisor of Child Nutrition Programs
Britt Ledet.....	Director of Data Processing
Royce Doucet.....	Transportation Manager
Don Gaudet.....	Business Manager
Aaron Breaux .....	Maintenance Manager

LAFOURCHE PARISH SCHOOL BOARD  
Management's Discussion and Analysis  
June 30, 2005

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**FINANCIAL HIGHLIGHTS**

This section contains a narrative overview and analysis of the financial activities of the Lafourche Parish School Board for the fiscal year ended June 30, 2005. You, as the reader of these statements, are encouraged to consider the information presented here along with the information that is furnished in the letter of transmittal. This section is prepared to give you management's perspective of the information contained in the financial statements.

- The total of assets reported in the government-wide statements is \$165.8 million up \$23.6 million from preceding year mostly due to two factors. The first is the sale of remaining \$20 million of general obligation bonds and the second is an increase of \$7.7 million in capital assets due to the activities in the 2003 Construction Fund. Also, net assets, the amount by which assets exceeded liabilities, is \$55.2 million (up \$1.8 million from preceding year).
- Total governmental fund revenues in 2005 were \$120.2 million compared to \$113.4 million in 2004, an increase of \$6.7 million. Tax revenue grew by \$1.3 million, state grants increased by \$1.2 million while federal grant revenue increased by \$1.6 million.
- Total governmental fund expenditures in 2005 were \$127.7 million up by \$11.9 million from 2004. The main cause of this increase was from the rise in benefit cost, additional textbooks purchases and additional debt service cost.
- Governmental fund balances in 2005 were \$71.2 million compared to \$59 million in 2004. Reserved Fund balances were \$69.6 million compared to \$57 million for the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**GOVERNMENT-WIDE FINANCIAL STATEMENTS:** The government-wide financial statements are designed to provide readers with a broad overview of the Lafourche Parish School Board's finances, in a manner similar to a private-sector business.

The Statement of Net Assets (Statement A) 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 or decreases in net assets may serve as a useful indicator of whether the financial position of the Lafourche Parish School Board is improving or deteriorating.

The Statement of Activities (Statement B) presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements of the Lafourche Parish School Board present only functions principally supported by taxes and functions of the intergovernmental revenues (governmental activities). The School Board does not have any functions that are intended to recover all or a significant portion of their cost through user fees and charges (business type activities).

The government-wide financial statements include only Lafourche Parish School Board itself (known as the primary government). The School Board does not have any component units that need to be reported separately from the financial information of the primary government.

**FUND FINANCIAL STATEMENTS:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Lafourche Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet:

LAFOURCHE PARISH SCHOOL BOARD  
Management's Discussion and Analysis  
June 30, 2005

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Governmental Funds (Statement C) and the Statement Of Revenues, Expenditures, and Changes in Fund Balances: Governmental Funds (Statement D) provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Lafourche Parish School Board maintains eleven individual governmental funds. Information is presented separately in the Balance Sheet: Governmental Funds (Statement C) and in the Statement of Revenues, Expenditures, and Changes in Fund Balances: Governmental Funds (Statement D) for the General, the Construction, the Air Conditioning Maintenance and the Debt Service Funds, all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts an annual appropriated budget for its governmental funds. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual (Statement F) is a budgetary comparison statement that has been provided for the government to demonstrate compliance with this budget.

***Proprietary funds.*** The Lafourche Parish School Board maintains two proprietary type funds. The School Board uses these internal service funds as accounting devices to accumulate and allocate costs internally among the School Board's various functions for its self-funded workers compensation and group health insurance programs. Because the services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. Statements G, H and I are the proprietary fund financial statements provide separate information for the Workers Compensation and Group Health Insurance Funds.

***Fiduciary funds:*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Lafourche Parish School Board's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Statements J and K are for the fiduciary funds.

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



**Other information.** In addition to the basic financial statements and accompanying notes the report also provides additional information. Schedules 1 and 2 are the combining statements for the construction funds. Schedules 3 and 4 are the combining statements referred to earlier in connection with non-major governmental funds. Schedule 5 presents information concerning board member compensation that is required by the state. Finally, Schedule 6 is the schedule federal assistance required as part of the "Single Audit".

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

This section contains the analysis of the School Board's financial operations using the government-wide perspective. The following table presents key totals from Statement A Statement of Net Assets:

CATEGORY (\$millions)	June 30, 2005	June 30, 2004	Increase (decrease)
Current and other assets	\$97.6	\$81.7	\$15.8
Capital assets	68.2	60.5	7.8
Total assets	\$165.8	\$142.2	\$23.6
Current and other liabilities	\$20.5	\$16.3	\$4.3
Long-term liabilities	90.0	72.5	17.5
Total liabilities	\$110.5	\$88.8	\$21.8
Invested in capital assets, net of related debt	(\$15.2)	(\$5.5)	(\$9.7)
Restricted	56.4	41.7	14.8
Unrestricted	14.0	17.3	(3.3)
Total net assets	\$55.2	\$53.5	\$1.8

Cash and cash equivalents was the largest component of current and other assets amounting to \$85.5 million of the total which was about \$12.8 million more than in the prior year. As stated earlier in this report, the cash and cash equivalents balance in the 2003 Construction Fund increased \$12.9 million due to the sale of the remaining \$20 million in authorized general obligation and to the spending on capital projects. Also, the cash and cash equivalents balance in Debt Service increased \$1.9 million but decreased by \$3.3 million in the General Fund. The increase in Capital Assets is mostly due to the activities in the 2003 Construction Fund.

The largest segment of total liabilities was general obligations bonds payable, which was about \$80.5 million. The general obligation bonds payable balance grew by \$17.5 million mostly due to \$20 million in bond sales that were completed during the 2005 fiscal year. Since there is a lag time between the sale of bonds and the construction of the infrastructure that the bonds fund, the balance of Invested in Capital Assets, Net of Related debt decreased by \$9.7 million. This is because the increase in bonds is netted against this balance, but the unused proceeds are accounted for in the Restricted Net Assets category.

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 Management's Discussion and Analysis  
 June 30, 2005

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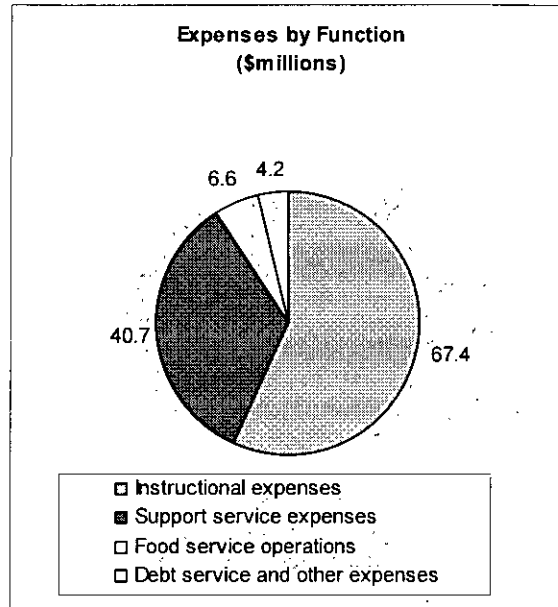
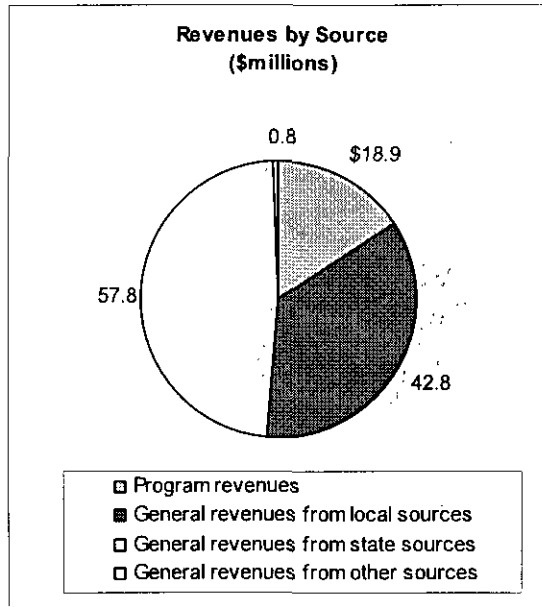
Total Net Assets increased by \$1.8 million. The main cause of change in the categories Invested in Capital Assets, Net of Related Debt and Restricted Net Assets is the activities associated with the 2003 Construction Fund. The main cause for the change to the Unrestricted Net Asset category is from the General Fund which reduced its balance by \$776,000 and from the Salary Supplement Fund which reduced its balance by \$526,000

The following represents a recap of the information presented in Statement B Statement of Activities:

Category (\$millions)	June 30, 2005	June 30, 2004	Increase (decrease)
Program revenues	\$18.9	\$16.4	\$2.5
General revenues from local sources	42.8	39.8	3.0
General revenues from state sources	57.8	56.7	1.2
General revenues from other sources	0.8	0.6	0.2
Total revenues	\$120.3	\$113.5	\$6.9
Instructional expenses	67.4	64.8	2.7
Support service expenses	40.7	37.2	3.5
Food service operations	6.6	6.5	0.1
Debt service and other expenses	4.2	2.4	1.8
Total expenses	\$118.9	\$110.9	\$8.1
Changes in net assets	1.4	2.6	(1.2)
Prior Period Adjustment	0.3	-	0.3
Net Assets - beginning	53.5	50.9	2.6
Net Assets - ending	\$55.2	\$53.5	\$1.7

LAFORCHE PARISH SCHOOL BOARD  
 Management's Discussion and Analysis  
 June 30, 2005

The following shows the distribution of governmental revenues and expenses:



In the fiscal year 2005, revenues rose from \$113.5 to \$120.3 million. On the local level, the most change came from Ad Valorem Tax revenues which grew by \$1.3 million, Interest revenue by which grew by \$979,000, and Rents and Royalty Income from Section 16 Property revenue which increased by \$532,700. State Unrestricted Revenue grew by \$1.2 million mostly due to the Minimum Foundation Program while State Restricted Grant revenue increased by \$962,000 mostly due to the Education Excellence Fund distribution (most of this was a one-time distribution). Federal Restricted Revenue increased by \$1.7 million mostly due to three sources: Child Nutrition Grants (\$357,800), NCLB Title I Grants (\$716,400) and IDEA Grants (\$357,700).

Expenses in fiscal year 2005 increased from \$110.9 million to \$118.9 million. Employee benefit had the biggest change in the 2005 fiscal year. Retirement cost increase by \$1.4 million because of the changes in retirement rates. Teachers' Retirement rate increased from 13.8% to 15.5% while School Employees' Retirement rate increased from 8.5% to 14.8%. Employee group insurance expense increased by \$2.8 million because the self-funded program could not produce the same excess of revenues over expenditures that it did in 2004. In 2004, the self-funded program did so well it produced a \$2.1 million credit that was applied to the 2004 expenditures. Accrued Annual and Sick Leave expense grew by \$528,000 in the 2005 fiscal year.

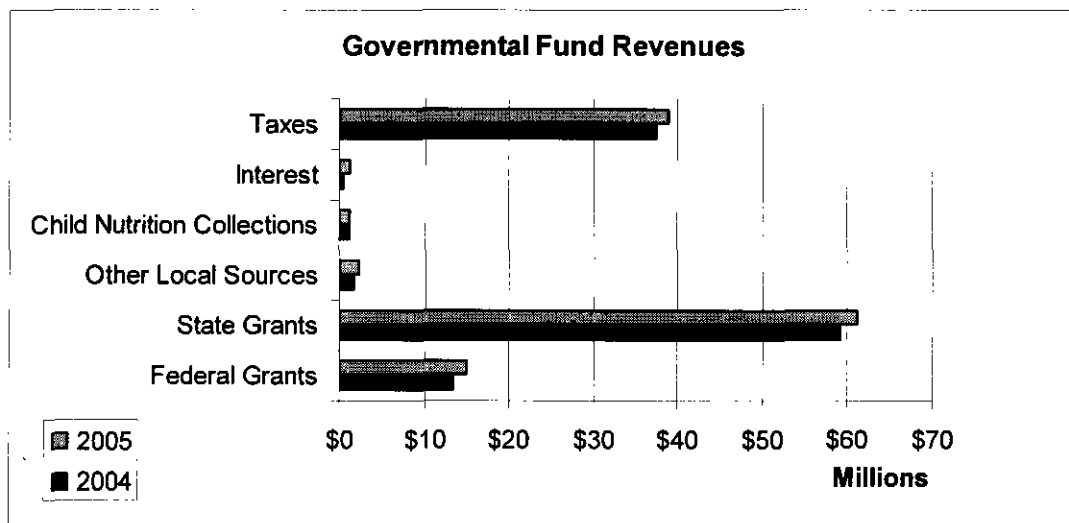
Finally, Supplies expense grew by \$1.6 million mostly because of a one-time purchase of text books that was paid for by the State's Excellence in Education Fund that upgraded the reading series. The School Board would not have made the purchase of reading textbooks at this point the since the reading series was not up for adoption, but the Administration felt it was in the best interest of the students and because the School Board's share of the State's Excellence in Education Fund balance was enough to fund it. Next year's textbook purchases will reflect the normal adoption schedule.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

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

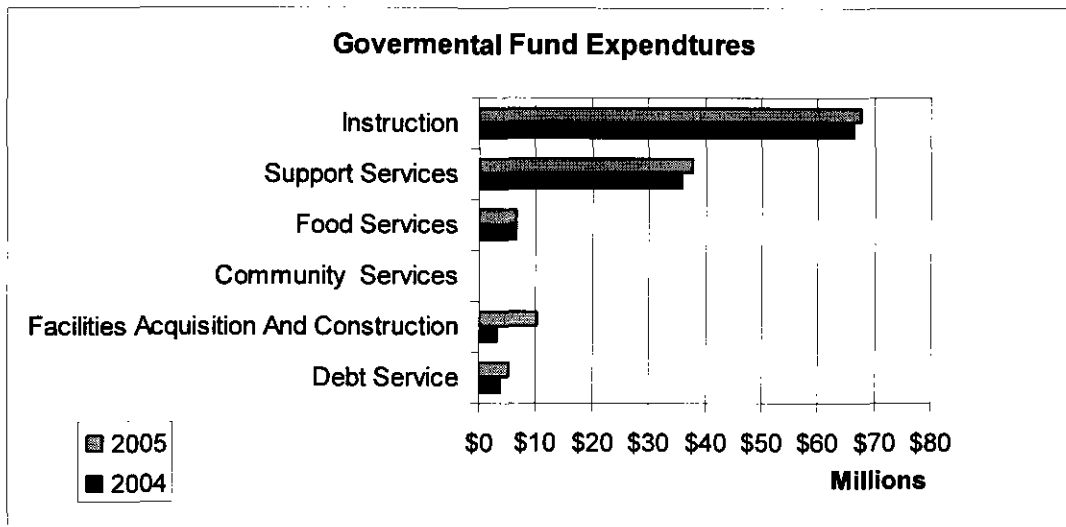
The following is a recap and analysis of revenues by source for the 2005 and 2004 fiscal years for all governmental fund types as shown in Table 2 and 2A: Revenues in 2005 are \$120.2 million up from \$113.4 in 2004.



The explanations of the changes in governmental revenue are the same as those stated for the changes contained in the government-wide financial analysis

with one notable exception. Interest revenue grew by \$890,700. The difference being that interest accrued in the proprietary funds are shown separately in the governmental fund portion of the financial statements but are combined in the government-wide portion of the financial statements.

The following is a recap and analysis of expenditures by program for the 2005 and 2004 fiscal years for all governmental fund types as shown in Table 1:



Governmental fund expenditures were \$127.7 in 2005 million up from \$115.8 million in 2004. The Retirement expenditures increase of \$1.4 million, and the Materials and Supplies increase \$1.6 million were explained in the Government-Wide Section. In addition to those expenditure changes, Facilities and Acquisition expenditures grew by \$6.6 million as the activities in the 2003 Construction Fund began to expand. Finally, Debt Service expenditures grew by \$1.8 million as the debt service schedules start to include payments on the recently issued debt.

**Proprietary Funds:** The Group Health Insurance Fund ended its fourth fiscal year with a net asset balance of \$1.7 million which is about \$435,000 less than the previous year. Premium revenues and Pharmacy Rebate revenues both increased by a combine amount of about \$100,000. However, Operating Expenses, Claims and Reinsurance expenses, grew by nearly \$2.7 million. The School Board did not increase premiums charged to employees and retirees, or to other funds because there was enough spread between revenue and cost in 2004 to absorb any expense increases. The School Board did add a proactive wellness program that began in January of 2006.

LAFOURCHE PARISH SCHOOL BOARD  
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The Workers Compensation Fund ended with a net asset balance of \$4.2 million, up \$159,900 from the prior year. Interest revenue increased by about \$52,000 and Intergovernmental Insurance Premium revenue increased by \$30,000. On the expenditure side, Claims expenses grew by about \$40,000 and Reinsurance and Administrative expenses grew about \$43,000.

**Fiduciary Funds:** The School Board has two fiduciary funds that it uses to account for the assets it holds in trust. The School Activities Fund accounts for the funds that the individual schools handle. At June 30, the schools had assets equaling \$3.1 million, which was slightly up from the previous year level of \$2.9 million.

The School Board also collects sales and use taxes for itself and the other tax levying authorities in the parish. At June 30, the fund had total assets amounting to \$8 million slightly down from the prior year total of \$8.5 million. The total taxes collected for the fiscal year amounted to \$45.9 million which was \$516,000 more than was collected in the previous fiscal year.

**GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS**

***Governmental Fund Balance:***

The Budget Comparison Statements (Statement F) displays an original and a final budget column. The following table contains the summary of budgeted revenue changes for the major funds:

CATEGORY (\$millions)	GENERAL FUND	AIR CONDITIONING MAINTENANCE FUND	DEBT SERVICE FUND
Original Budget Revenues	\$86.9	\$2.9	\$6.7
Increase in State and Federal Grant Revenue based on current approvals (includes carryover grants)	0.6		
Increased Sales and Use Tax Revenues based on current experience	0.3		
Increased MFP to reflect current award letter	0.2		
Increased Ad Valorem Tax Revenue due to increases in assessed values	0.5	0.3	0.8
Increased Earnings on 16th Section Property based on current oil and gas royalty payments	0.3		
Other revenue changes	0.2	0.1	0.2
Total revenue amendments	\$2.1	\$0.4	\$1.0
Amended budget revenues	\$89.0	\$3.3	\$7.7

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The following tables contain the summary of budgeted expenditure changes:

CATEGORY (\$millions)	GENERAL FUND	AIR CONDITIONING MAINTENANCE FUND	DEBT SERVICE FUND
Original Budget Expenditures	\$89.9	\$3.0	\$5.5
Increased salaries for increments for thirteenth check	1.3	-	-
Increase salaries due to act 778 mandates, Fair Labor Standards Act mandates and bus mileage supplement	0.3	-	-
Other changes in salaries	1.3	-	-
Employee categories added mostly due to new grants	0.6	-	-
Change in benefits mostly caused by changes in salaries	0.7	-	-
Bond issuance cost	-	-	0.2
All other changes	0.1	-	-
Total expenditure amendments	4.3	-	0.2
Amended budget expenditures	\$94.2	\$3.0	\$5.7

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets:** The net balance in capital assets for the School Board at June 30 was \$69.7 million. The following is a recap of the capital asset balances.

CATEGORY (\$millions)	COST	ACCUMULATED DEPRECIATION	NET BALANCE	
			2005	2004
Land	\$1.6		\$1.6	\$1.6
Buildings and Improvements	\$83.1	\$27.2	55.9	54.4
Furniture and Equipment	\$10.7	\$7.8	2.9	2.8
Construction in Progress	\$7.9		7.9	1.7
Total	\$103.3	\$35.0	\$68.3	\$60.5

The largest increase in net asset value was from building renovation and construction activities accounted for in the 2003 Construction Fund.

**Long-term Debt:** The School Board had \$83.4 million in general obligation bonds payable on June 30, 2005 and it had a Debt Service Fund balance of \$16.9 million. During the fiscal year, the School Board refunded \$22.3 million in general obligation bonds that resulted in an economic gain of \$761,200. A more detailed presentation of the refunding is presented in note F. Long-Term Debt.

LAFOURCHE PARISH SCHOOL BOARD  
 Management's Discussion and Analysis  
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Debt service expenditures were only 2.88% of general governmental expenditures (governmental expenditures less 2003 Construction Fund expenditures) which is down for 3.27 % in 2004 and were \$723 per capita which up from \$558 in 2004. The School Board's net bonded debt was 15.27% of assessed value, which was up from 12.93% in the prior year.

The Board's current bond rating from Moody's Investors Service is A3 and from Standard and Poor's is A-.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The following table contains the summary for the 2006 Comprehensive Original Budget.

DESCRIPTION	ORIGINAL BUDGET JUNE 30, 2006	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND
Local Sources	\$42.9	\$27.3	\$7.9	\$7.7
State Sources	63.4	62.1	1.3	0.0
Federal Sources	14.4	1.4	13.0	0.0
<b>Total Revenues</b>	<b>120.7</b>	<b>90.8</b>	<b>22.2</b>	<b>7.7</b>
Instructional Services	65.1	58.8	6.3	0.0
Support Services	36.2	31.3	4.7	0.2
Food Service Programs	7.1	0.3	6.8	0.0
Community Service Programs	0.0	0.0	0.0	0.0
Facility Acquisition and Construction	0.8	0.0	0.8	0.0
Debt Service	6.5	0.1	0.0	6.4
<b>Total Expenditures</b>	<b>115.7</b>	<b>90.5</b>	<b>18.6</b>	<b>6.6</b>
<b>OTHER FINANCING SOURCES (USES):</b>	<b>0.0</b>	<b>2.6</b>	<b>(2.6)</b>	<b>0.0</b>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	5.0	2.9	1.0	1.1
BEGINNING FUND BALANCE	30.7	3.4	10.0	17.3
<b>ENDING FUND BALANCE</b>	<b>\$35.7</b>	<b>\$6.3</b>	<b>\$11.0</b>	<b>\$18.4</b>



LAFOURCHE PARISH SCHOOL BOARD  
Management's Discussion and Analysis  
June 30, 2005

Highlights of the changes to the 2006 Comprehensive Original Budget:

	General Fund	Special Revenue Funds	Debt Service Fund	Total Change from Original Budget
<b>REVENUE CHANGES:</b>				
Removed carryover grants from Federal Grant Revenue	(0.1)	(2.9)	0.0	(3.0)
Increased MFP to reflect current award letter	1.8	0.0	0.0	1.8
Removed Lorio Grant received in prior year from Other Local Revenue	(0.1)	0.0	0.0	(0.1)
Increased Earnings on 16th Section Property based on current oil and gas royalty payments	0.1	0.0	0.0	0.1
Decreased State Restricted to remove textbook reimbursement from Education Excellence drawdown	(1.0)	0.0	0.0	(1.0)
Increased State Restricted to include TEACH retirement supplement	0.4	0.0	0.0	0.4
Increased State Restricted to include certified teach supplement appropriation	0.7	0.0	0.0	0.7
Decreased State Restricted due to decrease in PIP supplements	0.0	0.0	0.0	0.0
Other revenue changes	0.0	0.0	0.0	0.0
Total Revenue Changes	1.8	(2.9)	0.0	(1.1)
<b>EXPENDITURE CHANGES</b>				
Removed increments for thirteenth check	(1.3)	0.0	0.0	\$(1.30)
Increased salaries and benefits due to step increases	0.6	0.0	0.0	1
Increased salaries and benefits due to State mandated \$135 raise	0.2	0.0	0.0	
Increased salaries and benefits due to State mandated \$444 supplement	0.7	0.0	0.0	1
Increase in benefits due to retirement rate changes	0.4	0.0	0.0	
Added premiums for additional retirees	0.2	0.0	0.0	
Reduced salaries and benefits due to decrease in positions	(2.7)	0.2	0.0	(3)
Decreased Textbook expenditures to remove one-time purchase funded by an Education Excellence drawdown	(1.0)	0.0	0.0	(1)
Changes associated with Federal Grants	(0.1)	(2.8)	0.0	(3)
Change in Debt Service schedule mostly due to bond refunding	0.0	0.0	(21.9)	(22)
Bond issuance cost	0.0	0.0	(0.3)	
All other changes	(0.6)	0.0	0.0	(1)
Total expenditure changes	(\$3.6)	(\$2.6)	(\$22.2)	(\$29.3)

LAFOURCHE PARISH SCHOOL BOARD  
Management's Discussion and Analysis  
June 30, 2005

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The tax rates that will be effective in the 2005 fiscal year are as follows:

TYPE	RATE
Constitutional	3.63 Mills
Regular Maintenance	7.49 Mills
Salary Supplement	7.49 Mills
Air Conditioning Maintenance	7.49 Mills
Bond and interest	17.20 Mills
TOTAL	43.30 Mills
Sales and Use Tax	2%

The rates in effect for fiscal year 2006 are the same as they were in fiscal year 2005.

**REQUEST FOR INFORMATION**

The financial report is designed to provide a general overview of the Lafourche Parish School Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Don Gaudet, CPA, CGFO, CLSBA  
Business Manager  
Lafourche Parish School Board  
P. O. Box 879  
Thibodaux, LA 70302-0879  
dgaudet@lafourche.k12.la.us

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# STAGNI & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT

To the Lafourche Parish School Board  
Thibodaux, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2005, which collectively comprise the basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Lafourche Parish 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 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 Lafourche Parish School Board as of June 30, 2005, and the respective changes in financial position and cash flows where applicable thereof and the respective budgetary comparison for the major funds 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 a report dated December 16, 2005 on our consideration of the Lafourche Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the 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 required supplementary information. However, we did not audit the information and express no opinion on it.

The Supplemental Information Section and Statistical Section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and Statistical Section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Stagni & Company*

Thibodaux, Louisiana  
December 16, 2005



LAFOURCHE PARISH SCHOOL BOARD  
Statement of Net Assets  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Statement A

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	
	6/30/05	6/30/04
<b>ASSETS</b>		
Cash and cash equivalents	\$85,254,720	\$72,617,276
Cash with fiscal agents	63,399	127,420
Receivables (net of allowance for uncollectibles)	7,156,828	4,289,635
Due from agency fund	3,284,347	3,522,527
Prepaid Insurance	866,941	922,079
Inventory, at cost	252,151	263,269
Bond Issuance Cost (net of amortization)	699,583	
Capital assets (net of accumulated depreciation)		
Land	1,637,978	1,569,887
Buildings and improvements	55,882,793	54,390,995
Equipment	2,813,135	2,776,621
Construction in progress	7,908,975	1,742,955
<b>TOTAL ASSETS</b>	<b>\$165,820,850</b>	<b>\$142,222,664</b>
<b>LIABILITIES</b>		
Accounts payable	\$2,927,179	\$1,041,706
Salaries and wages payable	12,633,846	12,387,759
Accrued employee benefits - estimated liability for claims outstanding	2,999,463	2,444,162
Deposits subject to refund	1,981,260	386,878
Non-current Liabilities		
Due within one year	3,402,667	2,816,291
Due in more than one year	86,629,478	69,667,879
<b>Total Liabilities</b>	<b>110,573,893</b>	<b>88,744,675</b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	(15,207,119)	(5,464,542)
Restricted for:		
Debt service	16,910,540	15,123,203
Capital projects	39,529,853	26,550,793
Unrestricted	14,013,683	17,268,535
<b>Total net assets</b>	<b>55,246,957</b>	<b>53,477,989</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$165,820,850</b>	<b>\$142,222,664</b>

See notes to the financial statements.

**LAFOURCHE PARISH SCHOOL BOARD**  
**Statement of Activities**  
**For the Year Ended June 30, 2005**  
**(With comparative totals for the year ended June 30, 2004)**

**Statement B**

LAFOURCHE PARISH SCHOOL BOARD  
 Thibodaux, Louisiana

**Statement B**

Statement of Activities  
 For the Year Ended June 30, 2005  
 (With comparative totals for the year ended June 30, 2004)

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT TOTAL GOVERNMENTAL ACTIVITIES	
				6/30/05	6/30/04
<b>Instruction:</b>					
Regular programs	\$42,639,191		\$1,998,551	\$(40,640,640)	\$(38,567,699)
Special programs	15,506,790		2,432,144	(13,074,646)	(13,606,829)
Other programs	9,294,838		6,566,150	(2,728,688)	(3,115,186)
<b>Support services:</b>					
Pupil support	5,633,395		570,104	(5,063,291)	(4,716,974)
Instructional staff support	6,691,205		1,799,795	(4,891,410)	(4,470,578)
General administration	5,109,512		3,700	(5,105,812)	(4,129,590)
School administration	5,586,289		38,695	(5,547,594)	(5,312,800)
Business services	1,406,502		37,193	(1,369,309)	(1,301,129)
Operation and maintenance	9,043,684		72,733	(8,970,951)	(8,672,230)
Pupil transportation	6,135,369		478,738	(5,656,631)	(5,252,581)
Central services	1,081,444		31,465	(1,049,979)	(979,398)
Food service operations	6,580,232	\$1,264,606	3,646,941	(1,668,685)	(1,855,469)
Community service operations	10,705			(10,705)	(6,423)
Facilities acquisition and construction	469,391			(469,391)	(355,460)
<b>Debt service:</b>					
Interest and bank charges	3,707,847			(3,707,847)	(2,065,969)
Bond Refunding Cost					
<b>Total governmental activities</b>	<b>118,896,394</b>	<b>1,264,606</b>	<b>17,676,209</b>	<b>(99,955,579)</b>	<b>(94,408,315)</b>
<b>General revenues:</b>					
<b>Local sources:</b>					
Ad valorem taxes				18,235,618	16,974,543
Sales and use				20,180,611	20,057,900
Other				538,473	518,921
Rentals, leases, royalties				1,299,266	767,688
Earnings on investments				1,468,359	489,505
Other local				1,031,266	964,645
<b>State sources:</b>					
Grants not specific to programs				57,413,664	56,232,560
Revenue in lieu of taxes				402,573	401,923
Revenue for or on behalf of LEA				27,057	24,671
<b>Federal sources:</b>					
Grants not specific to programs				389,327	338,354
Revenue for/on behalf of LEA				387,585	308,697
<b>Other:</b>					
Gain (loss) on disposal of capital assets				7,761	(59,131)
<b>Total general revenues</b>				<b>101,381,560</b>	<b>97,020,276</b>
Changes in net assets				1,425,981	2,611,961
Prior period adjustment				342,987	
Net Assets - beginning				53,477,989	50,866,028
<b>Net Assets - ending</b>				<b>\$55,246,957</b>	<b>\$53,477,989</b>

See notes to the financial statement.

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LAFOURCHE PARISH SCHOOL BOARD  
 Balance Sheet: Governmental Funds  
 For the Year Ended June 30, 2005  
 (With comparative totals for the year ended June 30, 2004)

	GENERAL	CONSTRUCTION FUNDS	AIR CONDITIONING MAINTENANCE
Cash and cash equivalents	\$6,693,406	\$41,876,381	\$6,174,442
Cash with fiscal agents	23,982		
Receivables	3,546,680		926
Interfund receivable	6,998,335	21,222	
Inventory, at cost			
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$17,262,403</b>	<b>\$41,897,603</b>	<b>\$6,175,368</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$491,517	\$2,367,750	\$10,077
Salaries and wages payable	11,433,684		3,704
Interfund payable	800,087		134,910
Intergovernmental payable			
Deposits due others			
Deferred Revenues	553,312		88,261
<b>Total Liabilities</b>	<b>13,278,600</b>	<b>2,367,750</b>	<b>236,952</b>
<b>Fund Balances</b>			
Reserved for encumbrances	908,447	9,014,942	58,570
Reserved for salaries	1,388,405		
Reserved for textbooks	15,369		
Reserved for technology			
Reserved for air-conditioning maintenance			\$5,879,846
Reserved for school food service			
Reserved for debt service			
Reserved for capital projects		30,514,911	
Unreserved - reported in General Fund	1,671,582		
<b>Total Equity and Other Credits</b>	<b>3,983,803</b>	<b>39,529,853</b>	<b>5,938,416</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$17,262,403</b>	<b>\$41,897,603</b>	<b>\$6,175,368</b>

Amounts reported for governmental activities in the statement of net assets are different because:  
 The unexpired portion of insurance is reported as an asset in governmental activities but the entire amount paid is included as an expenditure in the funds.  
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.  
 Internal Service funds are used by management to charge the cost of worker's compensation and group health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.  
 Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.  
 Net assets of governmental activities (Statement A)

See notes to the financial statement.

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/05	6/30/04
\$17,149,154	\$5,937,805	\$77,831,188	\$64,675,243
		23,982	23,982
2,126	3,607,096	7,156,828	4,289,635
	16,690	7,036,247	5,069,208
	252,151	252,151	263,269
<b>\$17,151,280</b>	<b>\$9,813,742</b>	<b>\$92,300,396</b>	<b>\$74,321,337</b>
	\$56,237	\$2,925,581	\$1,018,588
	1,195,405	12,632,793	12,386,831
	3,595,768	4,530,765	1,546,681
38,059		38,059	
202,681	88,261	932,515	386,878
<b>240,740</b>	<b>4,935,671</b>	<b>21,059,713</b>	<b>15,338,978</b>
		9,981,959	3,501,672
	1,110,015	2,498,420	3,671,502
		15,369	
			47,187
		5,879,846	4,926,680
	3,768,056	3,768,056	3,213,200
16,910,540		16,910,540	15,123,203
		30,514,911	26,550,793
		1,671,582	1,948,122
<b>16,910,540</b>	<b>4,878,071</b>	<b>71,240,683</b>	<b>58,982,359</b>
<b>\$17,151,280</b>	<b>\$9,813,742</b>		
		769,753	\$818,877
		68,242,881	60,480,458
		5,887,489	6,164,143
		(90,893,849)	(72,967,848)
		<b>\$55,246,957</b>	<b>\$53,477,989</b>

LAFOURCHE PARISH SCHOOL BOARD  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances: Governmental Funds  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

	GENERAL	CONSTRUCTION FUNDS	AIR CONDITIONING MAINTENANCE
<b>REVENUES</b>			
<u>Local sources:</u>			
Taxes:			
Ad valorem	\$4,776,394		\$3,132,678
Sales and use	20,180,611		
Other	538,473		
Rentals, leases, royalties	1,299,266		
Earnings on investments	212,789	\$550,859	\$116,084
Food service collections			
Other local	1,000,426		
<u>State sources:</u>			
Unrestricted grants-in-aid	56,127,164		
Restricted grants-in-aid	3,333,612		
Revenue in lieu of taxes	402,573		
Revenue for or on behalf of LEA	27,057		
<u>Federal sources:</u>			
Unrestricted grants-in-aid - direct	2,728		
Restricted grants-in-aid - direct	167,981		
Restricted grants-in-aid - subgrants	1,278,333		
Revenue for/on behalf of LEA			
Total revenues	<b>89,347,407</b>	<b>550,859</b>	<b>3,248,762</b>
<b>EXPENDITURES</b>			
<u>Instruction:</u>			
Regular programs	42,674,611	35,239	
Special programs	13,072,327		
Other programs	4,634,766		
<u>Support services:</u>			
Pupil support	5,103,566		
Instructional staff support	5,469,114		
General administration	1,746,309		102,945
School administration	5,549,645		
Business services	1,383,895		
Operation and maintenance	7,028,276		2,110,467
Pupil transportation	5,941,131		
Central services	1,045,148		
Food service operations	298,048		
Community service operations	10,705		
Facilities acquisition and construction	10,337	9,878,656	389,611

See notes to the financial statements.

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/05	6/30/04
\$7,193,868	\$3,132,678	\$18,235,618	\$16,974,543
		20,180,611	20,057,900
		538,473	516,661
		1,299,266	767,688
\$326,592	110,718	1,317,042	426,370
	1,264,606	1,264,606	1,244,868
	30,840	1,031,266	966,905
	1,286,500	57,413,664	56,232,560
		3,333,612	2,375,698
		402,573	401,923
		27,057	24,671
		2,728	1,192
	129,228	297,209	282,339
	13,153,654	14,431,987	12,842,501
	387,585	387,585	308,697
<b>7,520,460</b>	<b>19,495,809</b>	<b>120,163,297</b>	<b>113,424,516</b>
	82,295	42,792,145	41,495,824
	2,357,821	15,430,148	16,137,831
	4,876,508	9,511,274	8,714,368
	502,089	5,605,655	5,342,102
	1,192,448	6,661,562	5,800,361
236,401	102,945	2,188,600	1,876,095
		5,549,645	5,528,470
	15,268	1,399,163	1,331,207
	57,632	9,196,375	8,919,338
	133,816	6,074,947	5,951,276
	31,465	1,076,613	1,026,723
	6,247,991	6,546,039	6,617,053
		10,705	6,423
		10,278,604	3,215,208

LAFOURCHE PARISH SCHOOL BOARD  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances: Governmental Funds  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

	GENERAL FUND	CONSTRUCTION FUNDS	AIR CONDITIONING MAINTENANCE
<u>Debt service:</u>			
Principal retirement	80,000		
Interest and bank charges	6,776		
Bond refunding cost			
Total expenditures	<b>94,054,654</b>	<b>9,913,895</b>	<b>2,603,023</b>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<b>\$(4,707,247)</b>	<b>\$(9,363,036)</b>	<b>\$645,739</b>
<u>OTHER FINANCING SOURCES (Uses)</u>			
<u>REVENUES</u>			
Transfers in (out)	3,931,303	(64,231)	
Sales of fixed assets			
Proceeds of bond sale		20,000,000	
Accrued Interest and Premiums			
Payments to refunded bond escrow agent			
Total other financing sources (uses)	<b>3,931,303</b>	<b>19,935,769</b>	
<u>NET CHANGES IN FUND BALANCES</u>	<b>(775,944)</b>	<b>10,572,733</b>	<b>645,739</b>
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	4,759,747	28,957,120	5,292,677
<u>FUND BALANCES AT END OF YEAR</u>	<b>\$3,983,803</b>	<b>\$39,529,853</b>	<b>\$5,938,416</b>

See notes to the financial statement

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/05	6/30/04
2,365,000		2,445,000	1,745,000
2,934,296		2,941,072	2,065,969
<b>5,535,697</b>	<b>15,600,278</b>	<b>127,707,547</b>	<b>115,773,248</b>
<b>\$1,984,763</b>	<b>\$3,895,531</b>	<b>\$(7,544,250)</b>	<b>\$(2,348,732)</b>
	(3,867,072)		4,043
22,300,000		42,300,000	30,000,000
1,030,503		1,030,503	
(23,527,929)		(23,527,929)	
<b>(197,426)</b>	<b>(3,867,072)</b>	<b>19,802,574</b>	<b>30,004,043</b>
<b>1,787,337</b>	<b>28,459</b>	<b>12,258,324</b>	<b>27,655,311</b>
15,123,203	4,849,612	58,982,359	31,327,048
<b>\$16,910,540</b>	<b>\$4,878,071</b>	<b>\$71,240,683</b>	<b>\$58,982,359</b>

LAFOURCHE PARISH SCHOOL BOARD  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balances of Governmental Funds to the  
 Statement of Activities  
 For the Year Ended June 30, 2005  
 (With comparative totals for the year ended June 30, 2004)

Statement E

	6/30/05	6/30/04
Amounts reported for governmental activities in the statement of activities (Statement B) are different because:		
Net change in fund balances - total governmental funds (Statement D)	\$12,258,324	\$27,655,311
The unexpired portion of insurance is reported as an asset in governmental activities but the entire amount paid is included as an expenditure in the funds.	(49,124)	(\$171,761)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	7,762,423	597,607
The issuance of long-term debt (e. g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar item when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(18,268,988)	(27,754,278)
Internal service funds are used by management to charge the costs of worker's compensation and group health insurance to individual funds. The revenues, and expenditures of the internal service funds are included in governmental activities in the statement activities.	(276,654)	2,285,082
Changes in net assets of governmental activities (Statement B)	<b>\$1,425,981</b>	<b>\$2,611,961</b>

See notes to the financial statement.

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LAFOURCHE PARISH SCHOOL BOARD  
Budget Comparison Statements - Major Funds  
For the Year Ended June 30, 2005

	GENERAL FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
<b>REVENUES</b>			
<u>Local sources:</u>			
Taxes:			
Ad valorem	\$4,387,000	\$4,894,800	\$4,776,394
Sales and use	19,400,000	19,700,000	20,180,611
Other	516,700	540,300	538,473
Rentals, leases, royalties	500,000	800,000	1,299,266
Earnings on investments	127,500	181,000	212,789
Food service collections			
Other local	1,012,700	1,171,800	1,000,426
<u>State sources:</u>			
Unrestricted grants-in-aid	55,976,800	56,126,900	56,127,164
Restricted grants-in-aid	3,176,008	3,613,800	3,333,612
Revenue in lieu of taxes	401,900	402,500	402,573
Revenue for or on behalf of LEA	23,100	25,800	27,057
<u>Federal sources:</u>			
Unrestricted grants-in-aid - direct	15,800	2,700	2,728
Restricted grants-in-aid - direct	166,200	156,800	167,981
Restricted grants-in-aid - subgrants	1,154,600	1,333,900	1,278,333
Revenue for/on behalf of LEA			
Total revenues	<b>86,858,308</b>	<b>88,950,300</b>	<b>89,347,407</b>
<b>EXPENDITURES</b>			
<u>Instruction:</u>			
Regular programs	40,980,519	42,724,300	42,674,611
Special programs	12,754,200	13,169,200	13,072,327
Other programs	4,253,522	4,509,419	4,634,766
<u>Support services:</u>			
Pupil support	4,836,400	5,042,300	5,103,566
Instructional staff support	4,856,671	5,541,565	5,469,114
General administration	1,507,700	1,636,600	1,746,309
School administration	5,130,800	5,620,300	5,549,645

See notes to the financial statement.

Statement F  
(continued)

AIR CONDITIONING MAINTENANCE			DEBT SERVICE		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
\$2,877,000	\$3,210,300	\$3,132,678	\$6,607,000	\$7,372,200	\$7,193,868
53,000	110,000	116,084	120,000	300,000	326,592
<b>2,930,000</b>	<b>3,320,300</b>	<b>3,248,762</b>	<b>6,727,000</b>	<b>7,672,200</b>	<b>7,520,460</b>
93,700	103,400	102,945	214,900	576,100	236,401

LAFOURCHE PARISH SCHOOL BOARD  
 Budget Comparison Statements - Major Funds  
 For the Year Ended June 30, 2005

	GENERAL FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
Business services	1,182,600	1,259,900	1,383,895
Operation and maintenance	7,064,600	7,098,000	7,028,276
Pupil transportation	5,994,500	6,222,100	5,941,131
Central services	977,700	1,047,900	1,045,148
Food service operations	282,700	310,100	298,048
Community service operations	15,100	17,264	10,705
Facilities acquisition and construction	12,000	12,000	10,337
<u>Debt service:</u>			
Principal retirement	75,000	80,000	80,000
Interest and bank charges	9,000	4,000	6,776
Total expenditures	<b>89,933,012</b>	<b>94,294,948</b>	<b>94,054,654</b>
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	 <b>(3,074,704)</b>	 <b>(5,344,648)</b>	 <b>(4,707,247)</b>
 <u>OTHER FINANCING SOURCES (Uses)</u>			
Transfers in (out)	2,571,553	3,966,143	3,931,303
Sales of fixed assets			
Proceeds of bond sale			
Accrued Interest and Premiums			
Total other financing sources (uses)	<b>2,571,553</b>	<b>3,966,143</b>	<b>3,931,303</b>
 <u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	 <b>(503,151)</b>	 <b>(1,378,505)</b>	 <b>(775,944)</b>
 <u>FUND BALANCES AT BEGINNING OF YEAR</u>	 4,821,157	 4,759,747	 4,759,747
 <u>FUND BALANCES AT END OF YEAR</u>	 <b>\$4,318,006</b>	 <b>\$3,381,242</b>	 <b>\$3,983,803</b>

See notes to the financial statement.

AIR CONDITIONING MAINTENANCE			DEBT SERVICE		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
500	500				
2,082,800	2,125,500	2,110,467			
843,000	843,000	389,611			
			2,365,000	2,365,000	2,365,000
			2,941,000	2,941,000	2,934,296
				197,400	
<b>3,020,000</b>	<b>3,072,400</b>	<b>2,603,023</b>	<b>5,520,900</b>	<b>5,740,700</b>	<b>5,535,697</b>
(90,000)	247,900	645,739	1,206,100	1,931,500	1,984,763
				22,300,000	22,300,000
				1,030,503	1,030,503
				(23,133,100)	(23,527,929)
<b>\$NONE</b>	<b>\$NONE</b>		<b>\$NONE</b>	<b>\$197,403</b>	<b>\$(197,426)</b>
(90,000)	247,900	645,739	1,206,100	2,128,903	1,787,337
5,652,865	5,292,677	5,292,677	14,874,527	15,123,203	15,123,203
<b>\$5,562,865</b>	<b>\$5,540,577</b>	<b>\$5,938,416</b>	<b>\$16,080,627</b>	<b>\$17,252,106</b>	<b>\$16,910,540</b>

LAFOURCHE PARISH SCHOOL BOARD  
Statement of Net Assets: Proprietary Fund Type  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Statement G

	GROUP HEALTH INSURANCE	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
			06/30/05	06/30/04
<b>ASSETS</b>				
Cash and cash equivalents	\$2,427,876	\$4,995,656	\$7,423,532	\$7,942,033
Cash with fiscal agents	6,070	33,347	39,417	103,438
Interfund receivable	\$778,865		778,865	
Prepaid Insurance	97,188		97,188	103,202
<b>TOTAL CURRENT ASSETS</b>	<b>\$3,309,999</b>	<b>\$5,029,003</b>	<b>\$8,339,002</b>	<b>\$8,148,673</b>
<b>LIABILITIES</b>				
<u>Current Liabilities:</u>				
Accounts payable	\$645	\$953	\$1,598	\$23,118
Salaries and wages payable		1,053	1,053	\$928
Accrued employee benefits - estimated liability for claims outstanding	1,582,167	866,695	2,448,862	1,960,484
<b>Total Liabilities</b>	<b>1,582,812</b>	<b>868,701</b>	<b>2,451,513</b>	<b>1,984,530</b>
<b>NET ASSETS</b>				
Restricted for group health insurance	1,727,187		1,727,187	2,162,784
Restricted for worker's compensation		4,160,302	4,160,302	4,001,359
<b>Total Equity and Other Credits</b>	<b>1,727,187</b>	<b>4,160,302</b>	<b>5,887,489</b>	<b>6,164,143</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$3,309,999</b>	<b>\$5,029,003</b>	<b>\$8,339,002</b>	<b>\$8,148,673</b>

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD  
Statement of Revenues, Expenses, and Changes in  
Net Assets: Proprietary Fund Type  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Statement H

	GROUP HEALTH INSURANCE	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
			06/30/05	06/30/04
<b><u>OPERATING REVENUES</u></b>				
Intergovernmental: Insurance premium billings	\$11,587,579	\$835,528	\$12,423,107	\$12,299,064
Pharmacy Rebates	177,773		177,773	161,851
Total Non-operating Revenues	11,765,352	835,528	12,600,880	12,460,915
<b><u>OPERATING EXPENSES</u></b>				
Claims expense	10,682,248	43,199	11,232,820	8,186,044
Reinsurance and administrative fees	1,574,950	550,572	1,796,031	2,052,924
Claims expense	12,257,198	221,081	13,028,851	10,238,968
	2,706,282	771,653		
<b><u>NON-OPERATING REVENUES</u></b>				
Interest	56,249	95,068	151,317	63,135
CHANGES IN NET ASSETS	(435,597)	158,943	(276,654)	2,285,082
NET ASSETS AT BEGINNING OF YEAR	2,162,784	4,001,359	6,164,143	3,879,061
NET ASSETS AT END OF YEAR	\$1,727,187	\$4,160,302	\$5,887,489	\$6,164,143

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD  
Statement of Cash Flows: Proprietary Fund Type  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Statement I

	GROUP HEALTH INSURANCE	WORKER'S COMPENSATION	TOTAL PROPRIETARY FUNDS	
			06/30/05	06/30/04
<b><u>CASH FLOWS NON-CAPITAL</u></b>				
<b><u>FINANCING ACTIVITIES</u></b>				
Premiums collected, received or recovered	\$10,808,714	\$835,527	\$11,644,241	\$12,300,915
Pharmacy Rebates	177,773		177,773	161,851
Claim expenses paid	(11,952,042)	(603,811)	(12,555,853)	(10,449,851)
Cash provided (used) by non-capital financing activities	(965,555)	231,716	(733,839)	2,012,915
<b><u>CASH FLOWS FROM INVESTING</u></b>				
<b><u>ACTIVITIES</u></b>				
Interest Income	56,249	95,068	151,317	63,135
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(909,306)	326,784	(582,522)	2,076,050
CASH BALANCE AT BEGINNING OF YEAR	3,343,252	4,702,219	8,045,471	5,969,421
CASH BALANCE AT END OF YEAR	\$2,433,946	\$5,029,003	\$7,462,949	\$8,045,471

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD  
Statement of Net Assets: Fiduciary Fund Type  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Statement J

	SCHOOL ACTIVITY	SALES TAX	TOTAL FIDUCIARY FUNDS	
			06/30/05	06/30/04
<b>ASSETS</b>				
Cash and cash equivalents	\$3,099,886	\$3,658,213	\$6,758,099	\$6,532,627
Receivables (net of allowances for uncollectibles)	30,011	4,321,830	4,351,841	4,920,773
<b>TOTAL ASSETS</b>	<b>\$3,129,897</b>	<b>\$7,980,043</b>	<b>\$11,109,940</b>	<b>\$11,453,400</b>
<b>LIABILITIES</b>				
Accounts payable	\$11,743	\$66,735	\$78,478	\$17,671
Salaries and wages payable		2,170	2,170	1,695
Held in trust for other funds		3,284,347	3,284,347	3,522,527
Held in trust for others	3,118,154	4,412,892	7,531,046	7,653,018
Deposits subject to refund		213,899	213,899	258,489
<b>TOTAL LIABILITIES</b>	<b>\$3,129,897</b>	<b>\$7,980,043</b>	<b>\$11,109,940</b>	<b>\$11,453,400</b>

See notes to the financial statement.



LAFOURCHE PARISH SCHOOL BOARD  
Statement of Changes Net Assets: Fiduciary Fund Type  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Statement K

	FIDUCIARY FUND SALES TAX FUND	
	06/30/05	06/30/04
<b><u>ADDITIONS</u></b>		
Collections of sales tax	\$45,918,064	\$45,402,391
Fees received for tax collection	196,005	180,874
Interest on Investments	4,450	3,629
<b>TOTAL ADDITIONS</b>	<b>\$46,118,519</b>	<b>\$45,586,894</b>
<b><u>DEDUCTIONS</u></b>		
Remittance of taxes collected	45,370,349	43,426,054
Refunds of taxes collected	746,085	612,442
Fees paid for tax collection	196,005	180,874
Expenses of tax collection	321,499	275,185
<b>TOTAL DEDUCTIONS</b>	<b>\$46,633,938</b>	<b>\$44,494,555</b>
<b>CHANGE IN NET ASSETS HELD IN TRUST</b>	<b>(515,419)</b>	<b>1,092,339</b>
<b>Net Assets Held in Trust - beginning</b>	<b>8,212,658</b>	<b>7,120,319</b>
<b>Net Assets Held in Trust - ending</b>	<b>\$7,697,239</b>	<b>\$8,212,658</b>

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements  
June 30, 2005

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Lafourche Parish School Board was created under Louisiana Revised Statute (LRS) 17:51 for the purpose of providing free public education for the children within Lafourche Parish. The School Board has been authorized by (LRS) 17:81 to establish policies and regulations for its own government that are 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 15 members who have been elected from 15 districts for a term of four years.

The School Board operates 27 schools within the parish with a total enrollment of 15,159 pupils for the year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

**A. REPORTING ENTITY**

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. The School Board includes all funds, activities, et cetera, that are within the oversight responsibility of the School Board.

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish council and municipalities within the parish, are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the parish School Board.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

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Direct expenses are those that are clearly identifiable with a specific function. Program revenues includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The accompanying financial statements of the Lafourche Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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Other financing sources (uses) are shown in the fund financial statements and represent non-revenue inflows and non-expenditure outflows that affect fund balance. This section includes items such as transfers between funds that are not expected to be repaid, capital lease transactions, insurance proceeds, debt extinguishments, long-term debt proceeds, et cetera. These other financing sources (uses) are recognized at the time the underlying events occur.

The Lafourche Parish School Board reports the following governmental funds:

MAJOR

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

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

**Special Revenue Fund (Air Conditioning Maintenance Fund)** -- is a special revenue fund that accounts for the proceeds of a special property tax, which is to be used to maintain the air conditioning systems of the schools in the parish. The tax is authorized for a ten-year period.

**Debt Service Fund** -- accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term debt account group.

NON-MAJOR

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

Additionally the Lafourche Parish School Board reports the following other fund types:

**PROPRIETARY FUNDS:** Internal service fund accounts for the workers compensation and group health insurance services provided to other departments on a cost-reimbursement basis. Internal service funds are proprietary fund types that differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

**FIDUCIARY FUNDS:** Agency funds are used to account for the activities of the individual schools and for the collection of sales and use taxes, which are held for several other governmental agencies and

LAFOURCHE PARISH SCHOOL BOARD  
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the General Fund. Agency funds are a fiduciary fund type, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The School Board has elected not to follow subsequent private-sector guidance.

The effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues included 1) charges to students or adults for food services 2) operating grants and contributions and 3) capital grants. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service funds are charges to the other funds for workers compensation and group health insurance. The operating cost of the internal service fund includes the claims and reinsurance expenses of the program. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **D. ASSETS, LIABILITIES, AND NET ASSETS**

##### **1. Deposits and investments**

Cash includes amounts in demand deposits, interest bearing demand deposits, and bank money market accounts. Under state law, the School Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits within state banks organized under the laws of the state of Louisiana, and national banks having their principal offices in Louisiana.

##### **2. Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered.

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These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**3. Inventories and Prepaid Items**

Inventories of the Special Revenue - Child Nutrition Fund consist of food and supplies purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. The commodities are recorded as revenue when received (issued); however, all inventory is recorded as an expenditure when consumed. All purchased inventory items are valued at cost determined by specific identification and commodity inventory items are assigned values based on information provided by the United States Department of Agriculture.

The unexpired portion of insurance represents costs applicable to future accounting periods and is recorded as a prepaid item in the government-wide statements. All other prepaid items are shown as expenditures in the year they are paid.

**4. Capital Assets**

Capital assets, which include land, buildings, improvements other than buildings, and furniture and equipment are reported in the governmental activity column in the government-wide financial statements. The board includes all land and buildings in its capital asset inventory. Furniture and equipment must meet all of the following criteria to be included:

- The item will last more than one year.
- It is nonexpendable; that is, if damaged or worn out, it can be repaired without being replaced.
- It does not lose its identity through fabrication or incorporation into a different or more complex unit.
- Its unit cost exceeds \$1000.

The land, buildings and improvements, and furniture and equipment are valued at historical cost. Donated items are valued at approximate fair market value at the time of donation. For all buildings and improvements that were acquired prior to June 30, 1998, an independent appraisal company has supplied the estimated dates of acquisition and estimated original costs that were developed from information provided by inspection of the property, and accepted appraisal costing techniques relating current cost of reproduction to historical cost of reproduction.

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Buildings, other improvements and equipment are depreciated using the straight-line method over the following estimated useful lives:

Asset Type	Years
Buildings	25 to 45
Improvements other than buildings	10 to 25
Furniture and Equipment	5 to 20

**5. Compensated Absences**

Sick Leave has been earned based on policy GBRIB of the Lafourche Parish School Board Policy Manual and it both accumulates and vests. Twenty-five of the vested days are paid to the employee upon retirement. The remainder is used by the retirement systems in the calculation of benefits earned.

Annual (vacation) Leave has been earned based on policy GBRI of the Lafourche Parish School Board Policy Manual. It accumulates, and it vests. All 12-month full-time employees earn 5-20 days of annual leave depending on date of employment and length of service with the School Board. In the fiscal years ending before July 1, 2004, Annual Leave could be accumulated without limit. The policy was amended in July 2004 to limit the accumulation to 25 days and to provide for the grandfathering in of any accumulation prior to July 1, 2004 that exceeded 25 days.

The cost of current sick leave and annual leave privileges, has been computed in accordance with GASB Codification Section C60, has been recognized as current year expenditure in the governmental funds when leave was taken. The liability for these sick leave and annual leave privileges not requiring current resources has been recorded as long-term debt in the government-wide statements.

Sabbatical leave has been earned based on policy GBRHA of the Lafourche Parish School Board Policy Manual. It may be granted for medical leave and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period in which paid.

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**6. Long-term Obligations**

Long-term obligations expected to be financed from governmental funds are accounted for as liabilities in the government-wide statements. Expenditures for principal and interest payments for long-term debt are recognized in the governmental funds when due.

**7. Equity Classifications**

Equity is classified as net assets and displayed in three components on the Government-wide Statements:

- ❑ Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- ❑ Restricted net assets - Consists of net assets with constraints placed on use by either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- ❑ Unrestricted net assets - Consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of debt".

Equity in the fund financial statements is classified as fund balance. Fund balances are further classified as reserved and unreserved.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS**

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds."



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The details of this difference are as follows:

	June 30, 2005	June 30, 2004
General obligation bonds Payable	\$83,450,000	\$65,945,000
Certificates of Indebtedness	170,000	250,000
Unamortized Bond Issuance Cost	(699,583)	
Unamortized Portion of Premium on Sale of Bonds	1,010,686	
Compensated absences	6,412,145	6,289,170
Accrued employee benefits - estimated liability for claims outstanding	550,601	483,678
Total long-term liabilities	<u>\$90,893,849</u>	<u>\$72,967,848</u>

**B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation states "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense."

The details of this difference are as follows:

	June 30, 2005	June 30, 2004
Capital outlay ***	\$9,989,205	\$2,189,865
Depreciation Expense	2,226,782	1,592,258
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$7,762,423</u>	<u>\$597,607</u>

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. BUDGETARY INFORMATION**

At the August meeting of the School Board, the superintendent submits a consolidated budget prepared on the modified accrual basis of accounting to the School Board, so they can review it before public inspection. The budget contains the estimate of revenues and proposed expenditures for the General, Special Revenue, and Debt Service funds.

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A public hearing is conducted at the School Board office to obtain taxpayer comments. After this public hearing, the budget is enacted by the board. This process has to be completed by September 15 of the applicable budget year.

State law requires budget amendments if revenues will be short of estimates or if expenditures will exceed estimates by 5%. The superintendent is authorized to make changes within the various budget classifications provided that any reallocation of funds affecting more than five percent (5%) of the projected revenue collections must be approved in advance by action of the School Board. The results are compared monthly starting in September.

**B. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General, Air Conditioning Maintenance, and 2003 Construction Funds. Encumbrances and incomplete construction contracts outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

The balance of outstanding encumbrances at year-end is incorporated into the next year's budget. The same applies for those budget items, which have unexpended balances that can be carried forward. These balances are considered first when determining budget priorities.

**C. RESERVED AND DESIGNATED RETAINED EARNINGS/FUND BALANCES**

The School Board reserves all of the retained earnings of the Workers' Compensation and the Group Health Insurance Funds which must be at least equal to the deductible on its excess policy and the amount of incurred unpaid claims as determined by F. A. Richard and Associates (for workers' compensation) or by Benefit Management Services (for group health insurance).

The balance of the outstanding purchase orders is reserved for encumbrances in the General Fund, the 2003 Construction Fund and the Air Conditioning Maintenance Fund.

The unexpended portion of the 1995 1¢ sales tax devoted to salaries is recorded in the reserve for salaries in the General Fund. The unexpended proceeds of the property tax dedicated to salaries is recorded in the reserve for salaries in the Special Revenue Funds.

The unexpended portion of the 1995 1¢ sales tax devoted to textbooks is recorded in the reserve for textbooks in the General Fund.

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The unexpended portion of the 1995 1¢ sales tax devoted to technology is recorded in the reserve for technology in the General Fund.

The unexpended proceeds of the property tax dedicated to maintaining the air conditioning systems of the schools are recorded as reserve for air conditioning maintenance in the Air Conditioning Maintenance Fund.

All of the unexpended funds used in the school food service program, which have not been encumbered, are recorded as reserve for school food service in the Special Revenue Funds.

All of the unexpended funds dedicated for debt service, which have not been encumbered, are recorded as reserve for debt service in the Debt Service Fund.

All of the unexpended proceeds for general obligation debt dedicated for the 2003 construction projects, which have not been encumbered, are recorded as reserve for capital projects in the 1997 and 2003 Construction Funds.

**D. SALES AND USE TAXES**

On March 6, 1965, the voters of Lafourche Parish approved a one-percent sales and use tax to be levied and collected by the Lafourche Parish School Board. The proceeds of the tax are dedicated for the purpose of payment of salaries of teachers and other personnel employed by the School Board and/or for the general operations of the schools, excluding expenditures for capital improvements and purchases of automotive equipment.

The voters approved an additional one-percent sales and use tax for the School Board on April 29, 1995 to provide for salary increases (including related benefits) to all personnel except central office administrators. The tax also provides funding for textbook and technology upgrades.

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The School Board also acts as the central collection agency for all sales taxes levied within the parish. The following table summarizes the sales tax rates and fees collected for other agencies:

AGENCY	TAX RATE	FEE	WHERE
Lafourche Parish Sheriff	1.0¢	.7%	unincorporated areas of the parish
Lafourche Parish Council	.7¢	.7%	unincorporated areas of the parish
Lafourche Parish Council Road District #2	1.0¢	.7%	within boundaries of Special Road District #2
Lafourche Parish Council Road District #3	1.0¢	.7%	within boundaries of Special Road District #3
Lafourche Parish Council Road District #5	1.0¢	.7%	within boundaries of Special Road District #5
Lafourche Parish Council Road District #6	1.0¢	.7%	within boundaries of Special Road District #6
Town of Golden Meadow	1.0¢	.7%	corporate limits
Lafourche Parish Tourist Commission	3.0¢	.7%	all hotels/motels
Town of Lockport	1.3¢	.7%	corporate limits
City of Thibodaux	2.0¢	.7%	corporate limits

**E. LEVIED TAXES**

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year. State revenue sharing is included in unrestricted state grants.

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

TYPE	AUTHORIZED RATE	LEVIED RATE	EXPIRATION DATE
Constitutional	3.93 Mills	3.93 Mills	None
Regular Maintenance	7.49 Mills	7.49 Mills	January 2009
Salary Supplement	7.49 Mills	7.49 Mills	January 2009
Air Condition Maintenance	7.49 Mills	7.49 Mills	January 2010
Bond and interest	17.20 Mills	17.20 Mills	None
<b>TOTAL</b>	<b>43.60 Mills</b>	<b>43.60 Mills</b>	

**IV. DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

On June 30, 2005, the School Board had cash and cash equivalents as follows:

Classification by Type of Cash	6/30/2005	6/30/2004
Cash on hand and in demand deposits	\$13,344,332	\$12,828,023
LAMP	\$78,146,388	65,763,202
Time Deposits	\$522,099	558,678
<b>Total Cash Equivalents</b>	<b>\$92,012,819</b>	<b>\$79,149,903</b>

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Classification by Type of Fund	6/30/2005	6/30/2004
Governmental Activities	\$85,554,720	\$72,617,276
Agency Funds	\$6,458,099	\$6,532,627
Total Cash Equivalents	\$92,012,819	\$79,149,903

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 pledged 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. At June 30, 2005, the School Board had \$15,767,408 in deposits (collected bank balances). These deposits are secured from risk by \$420,167 in federal deposit insurance and \$16,963,183 in pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Included in cash and cash equivalents is a pooled cash account totaling \$9,969,363. The funds and amounts per fund included in the pooled cash account are as follows:

FUNDS	AMOUNTS
General	\$1,345,154
Capital Projects	253,053
Non Major:	
Salary Supplement	2,546,917
Air Conditioning Maintenance	64,462
Internal Service	
Workers Compensation	608,020
Group Health Insurance	1,819,528
Agency:	
Sales Tax	3,332,229
Total	\$9,969,363

The School Board had \$78,146,388 invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of June 30, 2005 is not categorized in the three risk categories provided by GASB Codification 150.164 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., which is a nonprofit corporation organized under the laws of the State of Louisiana formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors consisting of 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

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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. 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. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Due to this immediate access feature, investments in LAMP are considered cash equivalents by the School Board.

**B. RECEIVABLES**

The receivables at June 30, 2005, are as follows:

CLASS OF RECEIVABLES	GENERAL FUND	AIR CONDITIONING MAINTENANCE	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL	AGENCY FUNDS
Sales Tax						\$4,321,830
Property Tax	\$539,885	926	2,126	\$926	\$543,863	
Oil Royalties	\$876,619				\$876,619	
E-rate						
Medicaid	70,936				70,936	
Intergovernmental - Grants						
Federal	248,875			3,606,170	3,855,045	
State	1,349,218				1,349,218	
Other	461,147				461,147	30,011
<b>TOTAL</b>	<b>\$3,546,680</b>	<b>\$926</b>	<b>\$2,126</b>	<b>\$3,607,096</b>	<b>\$7,156,828</b>	<b>\$4,351,841</b>

**C. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2005 was as follows:

	BALANCE AT BEGINNING OF YEAR	ADDITIONS	REDUCTIONS	ACCUMULATED DEPRECIATION	NET BALANCE
Land	\$1,569,887	\$68,091			\$1,637,978
Buildings and Improvements	79,335,630	3,723,140		\$27,175,977	55,882,793
Furniture and Equipment	10,618,828	642,806	610,852	7,837,647	2,813,135
Construction in Progress	1,811,937	9,826,986	3,729,948		7,908,975
<b>Total</b>	<b>\$93,336,282</b>	<b>\$14,261,023</b>	<b>\$4,340,800</b>	<b>\$35,013,624</b>	<b>\$68,242,881</b>

Depreciation was charged to general administration services in the statement of activities and recapped as follows:

	PRIOR	CURRENT EXPENSE	REDUCTIONS	ACCUMULATION
Buildings and Improvements	\$24,944,635	\$2,231,342		\$27,175,977
Furniture and Equipment	7,842,207	614,054	\$618,614	7,837,647
<b>Total</b>	<b>\$32,786,842</b>	<b>\$2,845,396</b>	<b>\$618,614</b>	<b>\$35,013,624</b>

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**CONSTRUCTION COMMITMENTS** The Lafourche Parish School Board has active construction projects as of June 30, 2005. The projects cover new construction and renovations at the three high schools expended through the 2003 Construction Fund, and other such projects expended through the General and Air Conditioning Maintenance Funds. At year-end, the School Board's commitments to the contractors were as follows:

PROJECT	CONTRACT PRICE	COST TO DATE EXPENDED	RETAINAGE	BALANCE
<b>2003 Construction</b>				
Classroom Additions at Bayou Blue Elementary	\$335,642	\$247,305		\$88,337
Classroom Additions at Bayou Boeuf Elementary	551,016	329,314	\$15,570	206,132
Classroom Additions at Chackbay Elementary	999,528	740,711	35,274	223,543
Reroofing Cut Off Elementary	259,996	222,242	20,914	16,840
Reroofing Golden Meadow Lower Elementary	369,583	320,543	33,470	15,570
Classroom Additions Golden Meadow Upper and Galliano Elementary	62,676	40,864		21,812
Reroofing at W. S. Lafargue Elementary	181,048	160,633	17,665	2,750
Renovations at Raceland Lower Elementary	191,063	139,223	13,824	38,016
Renovations and reroofing at Raceland Upper Elementary	384,682	291,101	28,347	65,234
Reroofing at St. Charles Elementary	127,953	107,673	12,630	7,650
Window replacement Larose/Cut Off Middle	25,552	25,306		246
Gym/Band Room additions at Sixth Ward Middle School	2,704,578	1,213,212	53,354	1,438,012
Classroom additions and technology upgrades at South Thibodaux Elementary	1,888,573	1,710,296	82,090	96,187
Technology upgrades at Thibodaux Elementary	46,980	26,764		20,216
New Construction at Bayou Blue Middle School	8,668,766	1,905,079	75,790	6,687,897
Reroofing at Golden Meadow Middle School	194,500	143,550	15,950	35,000
Reroofing at various sites	94,216	85,605		8,611
Replacement of sewage treatment plants at various sites	26,799	20,456		6,343
Renovations and reroofing at various sites	21,684	4,543		17,141
Miscellaneous projects at various sites	22,168	2,764		19,404
<b>Air Conditioning Maintenance</b>				
HVAC Renovations at Central Office	18,515	12,879		5,636
Boiler replacement at Bayou Blue Elementary	103,662	53,101	4,889	45,672
HVAC additions and renovations at Lockport Lower, and Lockport and Sixth Ward Middle Schools	8,145		883	7,262
<b>Total</b>	<b>\$17,287,325</b>	<b>\$7,803,164</b>	<b>\$410,650</b>	<b>\$9,073,511</b>

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Notes to the Financial Statements

**D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Individual receivable/payable balances at June 30, 2005 are as follows:

RECEIVABLE FUND	PAYABLE FUND	AMOUNT
General	No Child Left Behind Act: Title IV and V	83,487
General	No Child Left Behind Act: Title II	226,477
General	Individuals with Disabilities Education Act	965,174
General	Indian Education Act	35,639
General	Salary Supplement Fund	1,332,877
General	Air Conditioning Maintenance	134,910
General	Child Nutrition	3,170
General	Sales Tax	3,284,347
General	No Child Left Behind Act: Title I	932,254
1997 Construction	General	21,222
Child Nutrition	Salary Supplement Fund	16,690
Group Health Insurance	General	778,865
	TOTAL	\$7,815,112

Interfund transfers made during the year ended June 30, 2005 are as follows:

TRANSFERRED IN	TRANSFERRED OUT	AMOUNT
General	Salary Supplement	\$3,480,473
Child Nutrition	Salary Supplement	124,367
General	No Child Left Behind Act: Title I	202,949
General	No Child Left Behind Act: Title IV and VI	6,340
General	No Child Left Behind Act: Title II	45,671
General	Individuals with Disabilities Act	125,992
General	Indian Education Act	5,647
	TOTAL	\$3,991,439

**E. COMPENSATED ABSENCES**

At June 30, 2005, employees of the School Board have accumulated and vested \$6,412,145 of employee leave benefits, which was computed in accordance with GASB Codification C60. The total amount paid during the fiscal year amounted to \$347,070. The liability for leave privileges not requiring current resources is recorded as long-term debt in the government-wide financial statements.

**F. LONG-TERM DEBT**

The School Board issues general obligation bonds to provide funds for the acquisition, construction or renovation of major capital facilities. The remaining amount issued for the bond issues outstanding at June 30 is \$83,450,000.



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The balances of the outstanding issues are as follows:

ISSUE DATE	ORIGINAL ISSUE	INTEREST RATE	FINAL PAYMENT DATE	INTEREST TO MATURITY	PRINCIPAL OUTSTANDING
June 1, 1997	10,000,000	4.10-8.00%	Mar. 1, 2007	78,458	920,000
February 1, 1998	25,000,000	4.45-8.00%	Feb. 1, 2008	306,705	3,285,000
August 1, 1999	7,910,000	4.70-7.00%	Feb. 1, 2018	3,065,903	7,555,000
November 6, 2003	10,000,000	4.00-6.00%	Mar. 1, 2028	6,043,464	9,785,000
June 1, 2004	20,000,000	3.00-5.00%	Mar. 1, 2029	13,414,255	19,605,000
April 12, 2005	22,300,000	3.25-5.00%	Feb. 1, 2018	8,620,076	22,300,000
May 4, 2005	20,000,000	4.00-7.00%	Mar. 1, 2030	13,525,039	20,000,000
<b>TOTAL</b>	<b>\$115,210,000</b>			<b>\$45,053,900</b>	<b>\$83,450,000</b>

General obligation bonds are direct obligations with the principal and interest requirements funded in accordance with Louisiana law by the annual ad valorem tax assessment on taxable property within the parish. Bond principal and interest payable in the next fiscal year is \$2,965,000 and \$3,407,381, respectively. At June 30, 2005, the School Board had accumulated \$16,910,540 in the debt service fund for future debt requirements. The bonds are due, by year as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL
2006	\$2,965,000	\$3,407,381	\$6,372,381
2007	3,125,000	3,667,343	6,792,343
2008	3,295,000	3,501,648	6,796,648
2009	3,470,000	3,335,693	6,805,693
2010	3,635,000	3,181,200	6,816,200
2011-2015	21,130,000	13,315,921	34,445,921
2016-2020	19,710,000	8,139,732	27,849,732
2021-2025	12,705,000	4,828,159	17,533,159
2026-2030	13,415,000	1,676,823	15,091,823
	<b>\$83,450,000</b>	<b>\$45,053,900</b>	<b>\$128,503,900</b>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2005, the legal debt margin was \$118,558,177 and outstanding bonded debt totaled \$83,450,000.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

On April 12, 2005, the School Board refunded portions of its 1997 and 1998 series general obligation bonds. The refund was financed as follows:

Sources:	
Principal of bonds sold	\$22,300,000
Original Issue Premium	1,030,503
Transfer from Debt Service Fund	197,427
Total sources	<u>\$23,527,930</u>

Uses:	
Principal payments	\$22,430,000
Interest payments	759,151
Bond refunding cost	338,779
	<u>\$23,527,930</u>

The economic gain on this refunding was \$761,200. Economic gain takes into consideration the present value of the yearly savings discounted using an appropriate rate of interest which in this case is 3.906932%.

The following is a summary of the long-term debt transactions for the year ended June 30, 2005:

DESCRIPTION	BONDED DEBT	CERTIFICATES OF INDEBTEDNESS	COMPENSATED ABSENCES	TOTAL
Long-term obligations at July 1, 2004	\$65,945,000	\$250,000	\$6,289,170	\$72,484,170
Additions	42,300,000		470,045	42,770,045
Deductions	24,795,000	80,000	347,070	25,222,070
Long-term obligations at June 30, 2005	\$83,450,000	\$170,000	\$6,412,145	\$90,032,145
Due within one year	\$2,965,000	\$85,000	\$353,856	\$3,403,856
Due in more than one year	\$80,485,000	\$85,000	\$6,058,289	\$86,628,289

**V. OTHER INFORMATION**

**A. RISK MANAGEMENT**

The School Board was also exposed to various risks of loss related to personal injury to students and other individuals (not employees). Under the current program, the General Fund was responsible for a maximum of \$150,000 for each loss. The School Board purchased commercial insurance for claims in excess of \$150,000 that has a \$1 million per occurrence limit and a \$2 million aggregate limit. The School Board has also purchased umbrella excess insurance with a \$1 million limit. Also, the School Board has retained a third-party administrator to supervise, evaluate and administer claims, and provide loss prevention services.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

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The School Board was exposed to various risks of loss related to providing medical and indemnity payments as required by law for on-the-job related injuries. To account for and finance its uninsured risks of loss, the School Board has established a Workers' Compensation Fund (an internal service fund). Under this program, the Workers' Compensation Fund is responsible for \$300,000 of each workers compensation claim and has an aggregate limit of 2.5 million for the period October 2004 to October 2006. The School Board has purchased commercial insurance for claims in excess of the coverage provided by the fund. Also, the School Board has retained a third-party administrator to supervise, evaluate and administer claims, and provide loss prevention services. All funds that pay salaries participated in the program and made payments to the fund based on management's estimates of the amounts needed to pay prior and current year claims. These interfund "premiums" are reported as quasi-external transactions.

The School Board has established a Group Health Insurance Fund (an internal service fund) to account various risks of loss related to providing medical payments as required by the group health insurance program. Under this program, the Fund assumed \$175,000 for each claim and the School Board has purchased commercial insurance for claims in excess of the exposure assumed by the Fund. Also, the School Board has retained a third-party administrator to supervise, evaluate and administer claims, and provide a preferred provider network. All funds that had budgets that included employee positions participated in the program and made payments to the fund based on management's estimates of the amounts needed to pay prior and current year claims. These interfund "premiums" are reported as quasi-external transactions.

At June 30, 2005, the outstanding claims liability accruing to the General, Worker's Compensation and Group Health Insurance Funds was \$3 million. The estimated claim liability has been determined by the third-party administrator based on historical information and anticipated payments. These liabilities are based on the requirements of Governmental Accounting Standards Board Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable and the amount of the loss can be reasonably estimated.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

The following table shows the changes in this liability for June 30, 2005:

	General Fund	Worker's Compensation Fund	Group Insurance Fund	Total
Balance July 1	\$483,678	\$699,345	\$1,261,138	\$2,444,161
Current year claims and estimates	114,105	771,161	12,273,071	13,158,337
Less: Claim payments	47,182	603,811	11,952,041	12,603,034
Balance June 30	\$550,601	\$866,695	\$1,582,168	\$2,999,464

The School Board is exposed to various risks of loss related to theft of, damage to and destruction of buildings and related contents. Under the current program, the General Fund provides coverage up to a maximum \$250,000 (or 2% of claim) for each loss to its buildings due to wind and hail (named storm), and \$250,000 for all other building perils. The perils for the related contents, except for computer equipment (\$1,000 per occurrence) and band instruments (\$150 per occurrence), are funded in the same manner. The School Board purchases commercial insurance for claims in excess of coverage provided by the General Fund.

The School Board is self-funded for unemployment claims filed with the State. The claims are accounted for on the cash basis in the fund in which the original salary was paid. The School Board paid \$47,100 to the State for benefits claimed during the year ended June 30, 2005. The School Board retains a third-party administrator to supervise, evaluate and administer claims.

**B. CONTINGENT LIABILITIES**

The Lafourche Parish School Board received funding under grants from various federal and state governmental agencies. These grants specify the purpose for which the grant moneys are to be used and such grants are subject to audit by the granting agency or its representative. If the grant moneys received are not expended, the Lafourche Parish School Board may be required to reimburse the granting agency.

At June 30, 2005, the School Board was involved in several lawsuits. In the opinion of legal counsel for the School Board, the potential claims against the School Board, not covered by insurance, would not materially affect the financial statements.

**C. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Lafourche Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

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Group Health Insurance Fund whose monthly premiums are paid jointly by the employee or retiree and by the School Board.

The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The cost in 2005 was \$2.3 million for retirees. The School Board's group plan enrollment at the end of the year included 921 retirees along with 288 of their dependents.

**D. EMPLOYEE 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, are members of the Louisiana Teachers Retirement System; and 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:

**1. Teachers' Retirement System of Louisiana (TRS)**

**Plan Description.** The TRS consists of two membership plans: Regular Plan and Plan A. The TRS provides retirement benefits as well as disability and survivor benefits. Five 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 percent and 9.1 percent of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.5 percent of annual covered payroll for the two membership plans. 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.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

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The School Board and employees' contributions to the TRS for the years ending June 30, 2005, 2004, and 2003 were \$14,224,768, \$12,453,451, and \$12,198,276.

**2. Louisiana School Employees Retirement System (LSERS)**

**Plan Description.** The LSERS provides retirement benefits as well as disability and survivor benefits. Five 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 LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. 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 percent of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 14.8% percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employee contribution for the LSERS, is funded by the State of Louisiana through annual appropriations.

The School Board and employees' contributions to the LSERS for the years ending June 30, 2005, 2004, and 2003 were \$1,127,334, \$749,288, and \$299,804.

**3. On-behalf Payments for Fringe Benefits and Salaries**

The State of Louisiana contributes directly to the Teachers' Retirement System of Louisiana an amount equal to the employer portion of retirement due on the Professional Improvement Program (PIP) salary increments paid to the School Board's personnel. The School Board recognizes the amount contributed as a revenue and expenditure in the General Fund. The amount recognized in 2005 was \$ \$27,056.

**E. SUBSEQUENT EVENTS**

Hurricanes Katrina and Rita had a major impact on this portion of the Gulf Coast. The impact Lafourche Parish was substantially less than Orleans, St. Bernard and Plaquemines parishes. School Board personnel as well as personnel from our buildings and contents carriers are still working on the amount of damages and the amounts that will be reimbursed by the carriers.

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Financial Statements

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The estimated cost of building and contents damage at this point is about \$3.2 million which is 1.8% of the total value included on the Statement of Values. School Board personnel have also be in touch with Federal Emergency Management Agency personnel to make sure that the School Board will receive some FEMA funding for any damages not reimbursed by our buildings and contents carriers.

At this point, management can not make a determination of how much of its tax base has been affected by the storms.

**F. PRIOR PERIOD ADJUSTMENT**

Starting in the fiscal year ended June 30, 2005, the School Board has begun amortizing the cost of issuing bonds over the life of the bond issue. The monthly charge is computed using a straight line method of amortization in which the bond costs are divided by the total months in which the bonds are outstanding. The current charge is then determined by multiplying the monthly charge times the number of months that the related debt is outstanding in the fiscal year. The prior period adjustment of \$342,987 represents the beginning balance of the unamortized bond issuance costs.

LAFOURCHE PARISH SCHOOL BOARD  
Supplemental Information Schedules  
June 30, 2005

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**CONSTRUCTION FUNDS**

**1997 CONSTRUCTION FUND**

The referendum for this fund was passed in January of 1997 in the amount of \$44.4 million. The purpose of the authorization is to increase the student capacity so that the high schools could be reconfigured to include the ninth grade and to modernize existing facilities to be in line with national standards.

**2003 CONSTRUCTION FUND**

The referendum for this fund was passed in July 2003 in the amount of \$50 million. The purpose of the authorization is to upgrade and expand facilities so that that can better serve the re-aligned elementary and middle schools.



LAFOURCHE PARISH SCHOOL BOARD  
 Combining Balance Sheet: Construction Funds  
 For the Year Ended June 30, 2005  
 (With comparative totals for the year ended June 30, 2004)

Schedule 1

	1997 CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER CONSTRUCTION FUNDS	
			6/30/05	6/30/04
<b>ASSETS</b>				
Cash and cash equivalents		\$41,876,381	\$41,876,381	\$29,011,181
Due from other funds	21,222		21,222	165,940
<b>TOTAL ASSETS</b>	<b>\$21,222</b>	<b>\$41,876,381</b>	<b>\$41,897,603</b>	<b>\$29,177,121</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$21,222	\$2,346,528	\$2,367,750	\$219,664
Salaries and wages payable				337
<b>Total Liabilities</b>	<b>21,222</b>	<b>2,346,528</b>	<b>2,367,750</b>	<b>220,001</b>
<b>Fund balances:</b>				
Reserved for encumbrances		9,014,942	9,014,942	2,406,327
Reserved for capital projects		30,514,911	30,514,911	26,550,793
<b>Total Fund Equity</b>	<b>NONE</b>	<b>39,529,853</b>	<b>39,529,853</b>	<b>28,957,120</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$21,222</b>	<b>\$41,876,381</b>	<b>\$41,897,603</b>	<b>\$29,177,121</b>

LAFOURCHE PARISH SCHOOL BOARD  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:  
Construction Funds  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

Schedule 2

	1997 CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER CONSTRUCTION FUNDS	
			6/30/05	6/30/04
<b>REVENUES</b>				
<u>Local sources:</u>				
Earnings on investments	\$NONE	\$550,859	\$550,859	\$74,548
<b>Total revenues</b>		<b>550,859</b>	<b>550,859</b>	<b>74,548</b>
<b>EXPENDITURES</b>				
<u>Instruction:</u>				
Regular programs	2,977	32,262	35,239	51,862
<u>Support Services:</u>				
General administration				49,646
Operation and maintenance of plant				6,654
Facilities acquisition and construction	60,837	9,817,819	9,878,656	1,719,656
<b>Total expenditures</b>	<b>63,814</b>	<b>9,850,081</b>	<b>9,913,895</b>	<b>1,827,818</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	<b>(\$63,814)</b>	<b>(\$9,299,222)</b>	<b>(\$9,363,036)</b>	<b>(\$1,753,270)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of bond sale		20,000,000	20,000,000	30,000,000
Transfers in (out)	(64,231)		(64,231)	
<b>Total other financing sources (uses)</b>	<b>(64,231)</b>	<b>20,000,000</b>	<b>19,935,769</b>	<b>30,000,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>				
	<b>(128,045)</b>	<b>10,700,778</b>	<b>10,572,733</b>	<b>28,246,730</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>				
	<b>128,045</b>	<b>28,829,075</b>	<b>28,957,120</b>	<b>710,390</b>
<b>FUND BALANCES AT END OF YEAR</b>				
	<b>\$NONE</b>	<b>\$39,529,853</b>	<b>\$39,529,853</b>	<b>\$28,957,120</b>

LAFOURCHE PARISH SCHOOL BOARD  
Supplemental Information Schedules  
June 30, 2005

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**OTHER GOVERNMENTAL FUNDS**  
(continued next page)

**NO CHILD LEFT BEHIND ACT FUNDS**

Title I is a program for economically and educationally deprived school children, which is federally financed, state-administered, and locally operated by the School Board. The Title I services are provided through various projects which are designed to meet the special needs of educationally deprived children. The activities supplement rather than replace state and local mandated activities.

Title IV and VI are programs by which the federal government provides money to the school system based on a per-pupil allocation for audio-visual material and equipment, and library resources, and for drug awareness education.

Title II provides funding for additional training of the science and math teachers in the parish.

**INDIVIDUALS WITH DISABILITIES EDUCATION ACT FUND**

Individuals with Disabilities Education Act 101-476 is a federally financed program of free education in the least restricted environment to children with exceptionalities.

**INDIAN EDUCATION ACT FUND**

The Indian Education Act is a federally financed program to encourage the preservation of Indian traditions and to develop pride in the Indian heritage among those Indian children located in the southern portion of the parish.

LAFOURCHE PARISH SCHOOL BOARD  
Supplemental Information Schedules  
June 30, 2005

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**OTHER GOVERNMENTAL FUNDS  
(concluded)**

**SALARY SUPPLEMENT FUND**

The Salary Supplement Fund is used to account for the proceeds of the seven-mill property tax levied for a period of ten years. The proceeds are to be used for salary increments.

**CHILD NUTRITION FUND**

The Child Nutrition Fund is used to account for the moneys received and expended in connection with the School Board's school nutrition program.

LAFOURCHE PARISH SCHOOL BOARD  
Combining Balance Sheet: Other Governmental Funds  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

	<u>NO CHILD LEFT BEHIND ACT</u>			INDIVIDUALS WITH DISABILITIES EDUCATION ACT
	<u>TITLE I</u>	<u>TITLE IV &amp; VI</u>	<u>TITLE II</u>	
<b><u>ASSETS</u></b>				
Cash and cash equivalents				
Receivables (net of allowances for uncollectibles)	\$1,469,503	\$99,032	\$382,698	\$1,211,124
Due from other funds				
Inventories				
<b>TOTAL ASSETS</b>	<b><u>\$1,469,503</u></b>	<b><u>\$99,032</u></b>	<b><u>\$382,698</u></b>	<b><u>\$1,211,124</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$NONE	\$NONE	\$NONE	\$56,237
Salaries and wages payable	537,249	\$15,545	\$156,221	189,713
Interfund payable	932,254	83,487	226,477	965,174
Intergovernment payable				
Deposits subject to refund				
<b>Total Liabilities</b>	<b><u>1,469,503</u></b>	<b><u>99,032</u></b>	<b><u>382,698</u></b>	<b><u>1,211,124</u></b>
Fund balances:				
Reserved for salaries				
Reserved for child nutrition				
<b>Total Fund Equity</b>	<b><u>NONE</u></b>	<b><u>NONE</u></b>	<b><u>NONE</u></b>	<b><u>NONE</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$1,469,503</u></b>	<b><u>\$99,032</u></b>	<b><u>\$382,698</u></b>	<b><u>\$1,211,124</u></b>

INDIAN EDUCATION ACT	SALARY SUPPLEMENT	CHILD NUTRITION	TOTAL OTHER GOVERNMENTAL FUNDS	
			6/30/05	6/30/04
	\$2,546,917	\$3,390,888	\$5,937,805	\$4,971,854
\$48,017	926	395,796	3,607,096	2,211,705
		16,690	16,690	
		252,151	252,151	263,269
<b>\$48,017</b>	<b>\$2,547,843</b>	<b>\$4,055,525</b>	<b>\$9,813,742</b>	<b>\$7,446,828</b>
		\$NONE	\$56,237	\$47,578
\$12,378		284,299	1,195,405	1,069,665
35,639	\$1,349,567	3,170	3,595,768	1,380,741
	88,261		88,261	99,232
<b>48,017</b>	<b>1,437,828</b>	<b>287,469</b>	<b>4,935,671</b>	<b>2,597,216</b>
	1,110,015		1,110,015	1,636,412
		3,768,056	3,768,056	3,213,200
<b>NONE</b>	<b>1,110,015</b>	<b>3,768,056</b>	<b>4,878,071</b>	<b>4,849,612</b>
<b>\$48,017</b>	<b>\$2,547,843</b>	<b>\$4,055,525</b>	<b>\$9,813,742</b>	<b>\$7,446,828</b>

LAFOURCHE PARISH SCHOOL BOARD  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:  
Other Governmental Funds  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

	NO CHILD LEFT BEHIND ACT			INDIVIDUALS WITH DISABILITIES EDUCATION ACT
	TITLE I	TITLE IV & VI	TITLE II	
<b>REVENUES</b>				
<u>Local sources:</u>				
Ad valorem tax				
Earnings on investments				
Food service collections				
Other local				
<u>State Sources</u>				
Unrestricted grants-in-aid				
Restricted grants-in-aid				
<u>Federal sources:</u>				
Restricted grants-in-aid - direct				
Restricted grants-in-aid - subgrants	\$4,925,273	\$240,232	\$1,060,320	\$3,280,888
Revenue for/on behalf of LEA				
<b>Total revenues</b>	<b>4,925,273</b>	<b>240,232</b>	<b>1,060,320</b>	<b>3,280,888</b>
<b>EXPENDITURES</b>				
<u>Instruction:</u>				
Regular programs				
Special programs				2,357,821
Other programs	3,981,404	138,159	756,945	
<u>Support Services:</u>				
Pupil support		46,060		456,029
Instructional staff support	667,027	49,106	257,334	179,311
General administration				
School administration				
Business services	15,268			
Operation and maintenance of plant	55,890	273	370	
Pupil transportation	2,735	294		130,270
Central services				31,465
Food service operations				
<b>Total expenditures</b>	<b>4,722,324</b>	<b>233,892</b>	<b>1,014,649</b>	<b>3,154,896</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$202,949</b>	<b>\$6,340</b>	<b>\$45,671</b>	<b>\$125,992</b>

INDIAN EDUCATION ACT	SALARY SUPPLEMENT	CHILD NUTRITION	TOTAL OTHER GOVERNMENTAL FUNDS	
			6/30/05	6/30/04
	\$3,132,678		\$3,132,678	\$2,916,040
	48,710	\$62,008	110,718	40,327
		1,264,606	1,264,606	1,244,868
		30,840	30,840	2,260
		1,286,500	1,286,500	1,286,500
\$129,228			129,228	116,040
		3,646,941	13,153,654	11,689,714
		387,585	387,585	308,697
<b>129,228</b>	<b>3,181,388</b>	<b>6,678,480</b>	<b>19,495,809</b>	<b>17,604,446</b>
82,295			82,295	266,342
			2,357,821	2,133,196
			4,876,508	4,190,572
39,670			502,089	467,000
	102,945		1,192,448	847,718
			102,945	93,793
1,099			15,268	1,425
517			57,632	62,265
			133,816	101,022
			31,465	30,491
		6,247,991	6,247,991	6,323,244
<b>123,581</b>	<b>102,945</b>	<b>6,247,991</b>	<b>15,600,278</b>	<b>14,517,068</b>
<b>\$5,647</b>	<b>\$3,078,443</b>	<b>\$430,489</b>	<b>\$3,895,531</b>	<b>\$3,087,378</b>



LAFOURCHE PARISH SCHOOL BOARD  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:  
Other Governmental Funds  
For the Year Ended June 30, 2005  
(With comparative totals for the year ended June 30, 2004)

	NO CHILD LEFT BEHIND ACT			INDIVIDUALS WITH DISABILITIES EDUCATION ACT
	TITLE I	TITLE IV & VI	TITLE II	
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in (out)	(202,949)	(6,340)	(45,671)	(125,992)
Sales of fixed assets				
Total other financing sources (uses)	<b>(202,949)</b>	<b>(6,340)</b>	<b>(45,671)</b>	<b>(125,992)</b>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	NONE	NONE	NONE	NONE
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	NONE	NONE	NONE	NONE
<u>FUND BALANCES AT END OF YEAR</u>	<b>\$NONE</b>	<b>\$NONE</b>	<b>\$NONE</b>	<b>\$NONE</b>

INDIAN EDUCATION ACT	SALARY SUPPLEMENT	CHILD NUTRITION	TOTAL OTHER GOVERNMENTAL FUNDS	
			6/30/05	6/30/04
(5,647)	(3,604,840)	124,367	(3,867,072)	(2,488,129) 4,043
<b>(5,647)</b>	<b>(3,604,840)</b>	<b>124,367</b>	<b>(3,867,072)</b>	<b>(2,484,086)</b>
NONE	(526,397)	554,856	28,459	603,292
NONE	1,636,412	3,213,200	4,849,612	4,246,320
<b>\$NONE</b>	<b>\$1,110,015</b>	<b>\$3,768,056</b>	<b>\$4,878,071</b>	<b>\$4,849,612</b>

LAFOURCHE PARISH SCHOOL BOARD  
Supplemental Information Schedules  
June 30, 2005

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**COMPENSATION PAID BOARD MEMBERS**

The schedule of compensation paid to the School Board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly method payment of compensation. Under this method, the members of the School Board receive \$600 per month and the president receives \$700 per month.

LAFOURCHE PARISH SCHOOL BOARD  
Schedule of Compensation Paid Board Members

Schedule 5

For the Year Ended June 30, 2005

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<u>BOARD MEMBER</u>	<u>AMOUNT</u>
Louis E. Thibodaux, president	\$10,200
Rhoda Caldwell	9,600
Constance Thompson Williams	9,600
Robert P. Naquin	9,600
Stella Lasseigne	9,600
G. A. Rodrigue, Jr.	9,600
Gary Foret	9,600
Dave J. DeFelice, Jr.	10,200
Loretta Duplantis, Vice President	9,600
Melanie Boulet	9,600
Roy Landry	9,600
Jon C. Callais	9,600
Al Archer	9,600
Larry Pitre	9,600
Rebecca Duet	9,600
Total	<u>\$145,200</u>

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# STAGNI & COMPANY, LLC

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**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 Lafourche Parish School Board  
Thibodaux, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2005, which collectively comprise the basic financial statements and have issued our report thereon dated December 16, 2005. 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 Lafourche Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lafourche Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We noted certain immaterial instances of noncompliance that we have reported to management of the Lafourche Parish School Board in a separate letter dated December 16, 2005.

This report is intended solely for the information and use of the audit committee, management, Legislative Auditor and federal awarding agencies and pass-through entities and is not intended and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, Louisiana  
December 16, 2005



LAFOURCHE PARISH SCHOOL BOARD  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2005

Schedule 6  
 (continued)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
<u>United States Department of Agriculture Nutrition Cluster:</u>			
Passed Through Louisiana			
Department of Education:			
National School Lunch Program		10.555	\$2,860,439
School Breakfast Program		10.553	786,502
Total Nutrition Cluster			3,646,941
Passed through Louisiana			
Department of Agriculture and Forestry:			
Food Distribution Program		10.550	387,585
Total United States Department of Agriculture			4,034,526
<u>United States Department of Defense</u>			
Direct Program:			
R.O.T.C.		12.998	167,981
Passed Through Louisiana			
Department of Education:			
Emergency Rehabilitation of Flood Control Works and Federally Authorized Costal Protection Works Rehabilitation Act		12.102	2,728
Federal Emergency Management Act		83.516	5,702
Total United States Department of Defense			176,411
<u>United States Department of Education</u>			
Direct Programs:			
Indian Education - Formula			
Grants to Local Educational Agencies and Tribal Schools			
2004 Grant	S060A60511	84.060	11,286
2005 Grant	E060A040511	84.060	117,942
Passed Through Louisiana			
Department of Education:			
Vocational Education Act:			
Basic Grants			
2004 Grant Carryover	28-04-02-29 C	84.048	6,686
2005 Grant	28-05-02-29	84.048	193,114



LAFOURCHE PARISH SCHOOL BOARD  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2005

Schedule 6  
 (continued on next page)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
<b>Adult Education -</b>			
<b>State Administered Program</b>			
2004 Grant	0444-29	84.002A	37,775
2004 Grant Carryover	28-04-02-29-C	84.002A	15,756
2005 Grant	08-05-44-29	84.002A	98,348
One-Stop Centers	28-05-13-29	84.002A	5,170
<b>N. C. L. B. Title I - Special Education needs of Disadvantaged: Educationally Deprived Children</b>			
2004 Grant	04-T1-29-1	84.010	878,310
2005 Grant	28-05-T1-29	84.010	2,836,176
2004 Grant Carryover	28-04-T1-29-2	84.010	872,339
<b>Migrant Education</b>			
2004 Grant	04-M1-29	84.011	16,363
2004 Grant Carryover	28-04-MI-29	84.011	52,556
2003 Supplemental Grant		84.011	45,534
2005 Grant	28-05-MI-29	84.011	201,320
<b>N. C. L. B. Title II Teacher/Principal Training</b>			
2004 Grant	04-50-29	84.367	125,484
2003 Grant Carryover	03-50-29 C/O	84.367	82,376
2004 Carryover Grant	28-04-50-29 C	84.367	196,101
2005 Grant	28-05-50-29	84.367	656,359
<b>N. C. L. B. Title III - English as a Second Language</b>			
2004 Grant	28-04-60-29	84.365A	9,219
2004 Carryover Grant	28-04-60-29 C	84.365A	2,070
2005 Grant	28-05-60-29	84.365A	3,250
2004 Grant Influx	28-05-60-29	84.365A	8,136
<b>N. C. L. B. Title IV - Drug Free Schools and Communities State Grant</b>			
2004 Grant	04-70-29	84.186A	95,282
2004 Carryover Grant	28-04-70-29 C	84.186A	23,208
2005 Grant	28-05-70-29	84.186A	42,108
<b>N. C. L. B. Title V - Innovative Education Program Strategies</b>			
2004 Grant	04-80-29	84.298A	5,612

LAFOURCHE PARISH SCHOOL BOARD  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2005

Schedule 6  
 (continued on next page)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
2004 Carryover Grant	28-04-80-29 C	84.298A	51,329
2005 Grant	28-05-80-29	84.298A	22,693
Educational Technology State Grants			
2003 Grant	290449-29	84.318X	127,151
2003 Grant	28-05-49-29	84.318X	103,933
Even Start-State Educational Agencies			
2004 Grant	04-F1-29	84.213C	45,626
2005 Grant	28-05-F1-29	84.213C	320,924
Javits Gifted and Taledted Students Act			
2005 Grant	28-03-GT-29	84.206A	4,000
I. D. E. A. - Assistance for Education of Handicapped			
2004 Grant	04-B1-29	84.027	309,680
2005 Grant	28-05-B1-29	84.027	2,512,460
2003 Additional Flow-Through	28-03-B8-29	84.027	274,168
2003 Javits Grant	28-03-BG-29	84.027	46,981
I. D. E. A. - Preschool			
2003 Set Asside	03-P2-29	84.173A	9,528
2004 Grant	04-P1-29	84.173A	33,313
2005 Grant	05-P1-29	84.173A	94,758
Total Special Education Cluster			<u>3,280,888</u>
LA 21st Century Community Learning Centers			
2005 Kids in Action		84.287C	214,986
Total United States Department of Education			<u>10,809,410</u>

LAFOURCHE PARISH SCHOOL BOARD  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2005

Schedule 6  
 (concluded)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	ACTIVITY
<u>United States Department of Health and Human Resources</u>			
Passed Through Louisiana			
Department of Education:			
2004 Strategies to Empower People		93.558	39,234
2005 Strategies to Empower People	28-05-EP-29	93.558	59,928
Total United States Department of Health and Human Resources			99,162
Total Program Activity			\$15,119,509

LAFOURCHE PARISH SCHOOL BOARD  
Notes to the Schedule of Expenditures of Federal Awards  
June 30, 2005

---

1. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting, which is consistent with the basic financial statements.

2. DEFINITION OF CLUSTER

A cluster of programs means a grouping of closely related programs that share common compliance requirements. The types of clusters of programs are research and development, student financial aid, and other clusters. "Other clusters" are defined by the Office of Management and Budget (OMB) in the compliance supplement or as designated by a State for Federal Awards the State provides to a subrecipient that meet the definition of a cluster of programs.

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# STAGNI & COMPANY, LLC

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

To the Lafourche Parish School  
Thibodaux, Louisiana

### Compliance

We have audited the compliance of the Lafourche Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. The Lafourche Parish 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 Lafourche Parish School Board's management. Our responsibility is to express an opinion on the Lafourche Parish School Board's compliance based on our audit.

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

In our opinion, the Lafourche Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2005-1.

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### **Internal Control over Compliance**

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

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

This report is intended solely for the information and use of the audit committee management, the Legislative Auditor, 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, Louisiana  
December 16, 2005



**LAFOURCHE PARISH SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2005**

We have audited the financial statements of the governmental activities, each major fund and the remaining aggregate fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2005, which collectively comprise the basic financial statements and have issued our report thereon dated December 16, 2005. 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 and the provisions of OMB Circular A-133. Our audit of the financial statements as of June 30, 2005 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

**a. Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control**

Material Weaknesses  Yes  No      Reportable Conditions  Yes  No

**Compliance**

Compliance Material to Financial Statements  Yes  No

**b. Federal Awards**

**Internal Control**

Material Weaknesses  Yes  No      Reportable Conditions  Yes  No

Type of Opinion On Compliance      Unqualified       Qualified

For Major Programs      Disclaimer       Adverse

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?  Yes  No

**c. Identification of Major Programs:**

**Child Nutrition Cluster:**

**National School Lunch Program**

CFDA # 10.555      Total \$2,860,439

**School Breakfast Program**

CFDA # 10.553      Total \$ 786,502

Total IDEA Cluster      \$3,646,941

**LA 21<sup>st</sup> Century Community Learning Centers – Kids in Action 2005**

CFDA # 84.287C      Total \$ 214,986





**LAFOURCHE PARISH SCHOOL BOARD**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2005**

**Page 2**

Dollar threshold used to distinguish between Type A and Type B Programs: \$453,585  
Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?  Yes  No

**Section II Financial Statement Findings**

NO FINDINGS NOTED

**Section III Federal Award Findings and Questioned Costs**

2005-1 LEARN for the 21<sup>st</sup> Century – Kids in Action - Reimbursement Request

Criteria: All request filled out for reimbursement should be accompanied by documentation supporting the final purchase of the item and should easily be tied into the general ledger for cash disbursement items and payroll journals for payroll items. Also, reimbursement requests should be reviewed and signed by a supervisor other than the person preparing the request.

Condition: While testing the reimbursement request for the LEARN for the 21<sup>st</sup> Century (Kids in Action Program), it was noted that the general ledger printouts of actual expenditures for that period were not being used as support for the request. The person preparing the request was using the purchase order amounts for purchases and amounts for personnel costs were not being tied into the payroll journals. Also requests for reimbursement were being prepared with overlapping dates.

Cause: The employee handling the preparation of the reimbursement request was not properly trained and was unaware that the general ledger and payroll journals should be used as a basis for reporting. Also, there was not supervisory review and approval of the reimbursement request.

Effect: Reimbursement requests had actual expenditures that were left off of the request, expenditures on the requests did not match the final invoices paid, items were included in the requests multiple times, and items were included in the requests in error for items never paid. In total the reimbursement requests were overstated.

Questioned Costs \$14,032.



***LAFOURCHE PARISH SCHOOL BOARD***  
***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***  
***For the Year Ended June 30, 2005***

**Page 3**

**Recommendation:** We recommend that the Lafourche Parish School Board implement a better control over reimbursement requests prepared outside of the accounting department. We also recommend reimbursement requests be reviewed and signed by a supervisor other than the person preparing the request.



LAFOURCHE PARISH SCHOOL BOARD  
 General Governmental Expenditures by Program  
 Last Ten Fiscal Years (1)  
**UNAUDITED**

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FISCAL YEAR	INSTRUCTION	SUPPORT SERVICES	FOOD SERVICES	COMMUNITY SERVICES
1996	\$44,304,784	\$21,847,127	\$5,714,203	\$49,228
1997	50,243,838	24,996,933	5,980,669	11,300
1998	56,351,152	27,114,064	6,455,071	13,787
1999	56,257,376	26,700,208	6,273,618	8,698
2000	58,231,285	27,603,700	6,121,824	8,746
2001	57,175,281	29,068,890	6,254,568	10,705
2002	60,116,768	33,119,539	6,520,716	6,423
2003	66,169,916	35,795,426	6,579,007	10,705
2004	66,348,023	35,775,572	6,617,053	6,423
2005	67,733,567	37,752,560	6,546,039	10,705

(1) Includes general, special revenue, debt service and construction funds.

Table 1

---

FACILITIES ACQUISITION AND CONSTRUCTION	DEBT SERVICE	TOTAL
\$472,687	\$2,783,775	\$75,171,804
1,420,702	2,823,188	85,476,630
4,625,692	2,766,955	97,326,721
3,762,557	3,056,638	96,059,095
11,395,726	3,513,672	106,874,953
18,747,157	3,815,036	115,071,637
10,479,482	3,705,609	113,948,537
3,226,680	3,721,126	115,502,860
3,215,208	3,810,969	115,773,248
10,278,604	5,386,072	127,707,547

**LAFOURCHE PARISH SCHOOL BOARD**  
**General Governmental Revenues by Source**  
**Last Ten Fiscal Years (1)**  
**UNAUDITED**

FISCAL YEAR	TAXES	INTEREST	CHILD NUTRITION COLLECTIONS	OTHER LOCAL
1996	\$23,355,564	\$971,713	\$1,054,648	\$746,658
1997	25,073,588	818,668	1,144,892	1,939,281
1998	27,917,045	1,663,149	1,176,985	1,540,293
1999	28,211,305	3,290,585	1,216,763	2,111,044
2000	29,535,011	3,755,734	1,379,062	2,950,100
2001	31,272,058	3,407,209	1,279,323	2,413,380
2002	33,840,525	1,188,343	1,294,443	1,362,888
2003	35,700,239	589,460	1,248,274	2,346,864
2004	37,549,104	426,370	1,244,868	1,734,593
2005	38,954,702	1,317,042	1,264,606	2,330,532

(1) Includes general, special revenue, debt service and construction funds.

**LAFOURCHE PARISH SCHOOL BOARD**  
**General Governmental Tax Revenues by Source**  
**Last Ten Fiscal Years (1)**  
**UNAUDITED**

Table 2A

FISCAL YEAR	PROPERTY TAX	SALES TAX	1% OF COLLECTIONS BY SHERIFF	TOTAL
1996	\$8,314,198	\$14,796,355	\$245,011	\$23,355,564
1997	8,749,727	16,071,176	252,685	25,073,588
1998	9,623,520	18,010,299	283,226	27,917,045
1999	10,350,021	17,542,016	319,268	28,211,305
2000	11,463,446	17,710,680	360,885	29,535,011
2001	12,644,130	18,235,375	392,553	31,272,058
2002	13,870,677	19,545,497	424,351	33,840,525
2003	16,341,368	18,868,897	489,974	35,700,239
2004	16,974,543	20,057,900	516,661	37,549,104
2004	18,235,618	20,180,611	538,473	38,954,702

Table 2

---

STATE GRANTS	FEDERAL GRANTS	TOTAL
\$42,571,272	\$9,940,757	\$78,640,612
47,955,731	9,941,538	86,873,698
51,962,971	9,411,609	93,672,052
53,609,602	10,326,335	98,765,634
52,691,175	10,734,995	101,046,077
53,930,077	11,319,593	103,621,640
57,500,423	12,340,107	107,526,729
58,637,951	12,141,095	110,663,883
59,034,852	13,434,729	113,424,516
61,176,906	15,119,509	120,163,297

LAFOURCHE PARISH SCHOOL BOARD  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
**UNAUDITED**

Table 3

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF CURRENT TAX COLLECTED TO LEVY	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTED TO LEVY
1996	\$8,233,674	\$8,114,645	98.55%	\$199,553	\$8,314,198	100.98%
1997	8,703,345	8,560,956	98.36	188,771	8,749,727	100.53
1998	9,766,631	9,584,216	98.13	39,304	9,623,520	98.53
1999	10,566,932	10,277,511	97.26	72,510	10,350,021	97.95
2000	11,664,400	11,369,509	97.47	93,937	11,463,446	98.28
2001	12,937,693	12,439,034	96.15	205,096	12,644,130	97.73
2002	14,322,860	13,855,166	96.73	15,511	13,870,677	96.84
2003	16,552,136	16,208,281	97.92	133,087	16,341,368	98.73
2004	17,139,016	16,785,701	97.94	188,842	16,974,543	99.04
2005	18,997,078	18,165,027	95.62	70,591	18,235,618	95.99

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**LAFOURCHE PARISH SCHOOL BOARD**  
**Assessed Value of Property**  
**Last Ten Fiscal Years**  
**UNAUDITED**

Classification	2004	2003	2002	2001
Aircraft	\$2,698,110	\$2,598,070	\$1,958,190	\$2,206,460
Business Furniture & Fixtures	3,663,630	3,661,900	3,945,760	3,751,950
Credits (Insurance & Finance Co.)	121,310	73,850	68,510	71,110
Drilling Rigs	2,536,020	1,696,090	3,560,250	2,889,880
Financial Institutions	19,100,750	20,223,870	18,084,270	15,303,750
Improvements	205,235,880	178,495,220	172,008,500	167,759,200
Inventories	21,324,440	21,852,680	20,829,490	19,717,170
Land	49,203,340	42,446,530	41,372,810	40,685,420
Leased Equipment	3,462,230	2,932,910	2,501,810	2,161,520
Machinery & Equipment	21,651,150	21,766,650	20,933,380	17,713,580
Miscellaneous Personal Property	7,046,790	7,570,800	7,711,910	7,986,190
Oil & Gas Surface Equipment	4,736,140	4,054,220	4,041,690	3,256,590
Oil & Gas Wells	35,129,720	28,502,490	29,612,420	25,602,170
Pipelines	8,067,500	8,341,230	9,044,610	8,742,000
Public Service Corporations	73,266,550	69,282,870	69,786,040	69,758,050
Storage Improvements	61,640			
Watercraft	119,861,020	112,029,220	103,482,870	68,093,230
<b>Total Grossed Assessed Value</b>	<b>\$577,166,220</b>	<b>\$525,528,600</b>	<b>\$508,942,510</b>	<b>\$455,698,270</b>
Homestead Exemption	141,480,410	132,431,900	129,306,360	127,192,300
<b>Net Assessed Value</b>	<b>\$435,685,810</b>	<b>\$393,096,700</b>	<b>\$379,636,150</b>	<b>\$328,505,970</b>

The assessor adds property to the ad valorem tax rolls by first determining the fair market value of property as it becomes subject to ad valorem tax. The assessor then applies the appropriate assessed valuation percentage to property's fair market value to determine gross taxable value. The percentages are:

- 10% for land, and improvements for residential purposes
- 15% for electric cooperative properties, excluding land, and other property
- 25% for public service properties, excluding land

The homestead exemption of \$7,500 is then deducted from property subject to the exemption in determining the net assessed value.

Under the laws of the State of Louisiana the assessor is required to re-appraise all property subject to the ad valorem tax every four years.

Source: Lafourche Parish Assessor's Office

Table 4

2000	1999	1998	1997	1996	1995
\$1,911,050	\$2,121,960	\$1,952,640	\$1,254,600	\$1,065,130	\$1,044,970
3,818,120	3,250,110	3,013,520	2,992,190	2,806,940	2,380,990.00
69,280	93,450	96,580	77,650	90,390	75,850
1,779,820	787,350	1,033,300	291,250	295,950	368,340
17,796,780	17,796,780	13,388,590	13,407,980	11,606,260	9,686,850
158,497,800	138,026,780	124,289,500	121,441,900	116,067,820	106,171,240
16,706,810	15,734,660	14,146,730	14,318,230	12,129,550	10,910,240
39,396,510	38,674,840	37,542,710	37,526,210	37,161,670	33,451,520
2,088,940	2,128,410	1,686,010	1,741,660	1,132,330	974,660
17,224,340	14,332,000	13,422,980	11,436,930	9,510,930	8,520,850
8,317,920	8,882,110	9,619,620	10,791,760	10,280,990	10,302,090
3,180,000	3,188,220	3,229,270	4,395,420	4,346,610	4,383,080
20,311,290	21,568,340	26,858,610	27,640,920	25,292,740	23,299,320
7,972,560	8,169,150	7,820,690	9,034,980	9,040,760	9,186,810
64,438,570	62,392,050	58,915,450	55,708,760	51,386,210	50,278,940
59,365,250	43,796,630	35,177,550	16,891,530	9,639,160	9,723,570
\$422,875,040	\$380,942,840	\$352,193,750	\$328,951,970	\$301,853,440	\$280,759,320
122,835,770	111,743,650	108,322,720	103,550,840	100,991,570	94,012,390
\$300,039,270	\$269,199,190	\$243,871,030	\$225,401,130	\$200,861,870	\$186,746,930

**LAFOURCHE PARISH SCHOOL BOARD**  
**Property Tax Levies Direct and Overlapping Governments**  
**Last Ten Fiscal Years**  
**UNAUDITED**

(Tax Rates Per \$1,000 of Assessed Value for Parishwide Taxes Only)

	2004	2003	2002	2001
<b>Lafourche Parish Schools:</b>				
Constitutional Tax	\$3.63	\$3.93	\$3.93	\$3.93
Parishwide Maintenance	7.49	7.49	7.49	7.49
Consolidated School District No. 1 Maintenance	7.49	7.49	7.49	7.49
Consolidated School District No. 1 Air Conditioning Maintenance	7.49	7.49	7.49	7.49
Consolidated School District No. 1 Bonds	17.20	17.20	17.20	17.20
	<u>\$43.30</u>	<u>\$43.60</u>	<u>\$43.60</u>	<u>\$43.60</u>
<b>Overlapping, Parishwide Taxes:</b>				
Law Enforcement District	\$10.37	\$10.37	\$10.37	\$10.37
Health Unit	0.90	0.90	0.90	0.90
Library	8.50	8.50	8.50	8.50
Recreation	1.82	1.82	1.82	1.82
Public Buildings	2.75	2.75	2.75	2.75
Juvenile Justice	3.20	3.20	3.20	3.20
Drainage	3.68	3.68	3.68	3.68
Drainage, Health, Library Assessment District	5.17	5.17	5.17	5.17
	2.50	2.50	2.50	2.39
	<u>\$38.89</u>	<u>\$38.89</u>	<u>\$38.89</u>	<u>\$38.78</u>

Source: Lafourche Parish Assessor's Office

Table 5

2000	1999	1998	1997	1996	1995
\$3.93	\$4.11	\$4.11	\$4.11	\$4.11	\$4.18
7.49	7.34	7.34	7.34	7.34	7.47
7.49	7.34	7.34	7.34	7.34	7.47
7.01	7.34	7.34	7.34	7.34	7.47
17.20	17.20	17.20	17.20	17.20	17.50
<b>\$43.12</b>	<b>\$43.33</b>	<b>\$43.33</b>	<b>\$43.33</b>	<b>\$43.33</b>	<b>\$44.09</b>
\$10.37	\$10.37	\$10.37	\$10.37	\$10.37	\$10.37
0.90	0.94	0.94	0.94	0.94	0.96
8.50	8.91	8.91	8.91	1.92	1.91
1.82	1.91	1.91	1.88	1.88	1.91
2.75	2.88	2.88	2.83	2.83	2.88
3.20	3.20	3.20	3.20	3.20	3.14
3.68	3.85	3.85	3.78	3.78	3.85
5.17	5.41	5.41	5.30	5.30	5.39
2.39	2.09	2.50	2.16	2.50	2.20
<b>\$38.78</b>	<b>\$39.56</b>	<b>\$39.97</b>	<b>\$39.37</b>	<b>\$32.72</b>	<b>\$32.61</b>

LAFOURCHE PARISH SCHOOL BOARD  
Principal Property Tax Payers  
June 30, 2005  
**UNAUDITED**

Table 6

COMPANY	TYPE OF BUSINESS	2004 ASSESS- MENT	% OF ASSESS- MENT	2003 ASSESS- MENT	% OF ASSESS- MENT
Edison Chouses Offshore, Inc.	Marine Contractors	\$27,283,740	4.7%	\$25,172,070	4.8%
Mars Oil Pipeline Company	Pipeline	13,864,290	2.4%	11,036,550	2.1%
Hornbeck Offshore Services	Marine Contractors	11,101,010	1.9%	11,889,700	2.3%
Loop, Inc.	Pipeline	10,519,370	1.8%	9,929,950	1.9%
Alpha Marine Services LLC	Marine Contractors	10,065,020	1.7%	8,143,470	1.5%
Hibernia National Bank	Bank	9,515,730	1.6%	10,107,690	1.9%
Entergy Louisiana, Inc.	Electric Utility	8,639,690	1.5%	8,593,420	1.6%
Locap Inc.	Pipeline	8,438,820	1.5%	8,417,190	1.6%
Cheveron Texaco Elploration	Oil and Gas	8,087,980	1.4%		
Discovery Gas Distribution LLC	Pipeline	6,598,130	1.1%	6,912,750	1.3%
Chouest Offshore Services	Marine Contractors			10,739,010	2.0%
		<b>\$114,113,780</b>	<b>19.6%</b>	<b>\$110,941,800</b>	<b>21.0%</b>

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD  
Computation of Legal Debt Margin  
June 30, 2005  
*UNAUDITED*

Table 7

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Gross Assessed Value	<u>\$577,166,220</u>
Debt Limitation 35% of Gross Assessed Value	\$202,008,177
Less Bonded Debt Issued and Outstanding	<u>83,450,000</u>
Legal Debt Margin	<u>\$118,558,177</u>

LAFOURCHE PARISH SCHOOL BOARD  
 Ratio of Net General Obligation Debt to Assessed Value  
 and Net General Obligation Debt Per Capita

Table 8

Last Ten Fiscal Years  
 UNAUDITED

FISCAL YEAR	(1) POPULATION	NET ASSESSED VALUE	GROSS BONDED DEBT	LESS DEBT SERVICE	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
1996	87,497	\$186,746,930	\$4,555,000	\$1,566,984	\$2,988,016	1.60	\$34
1997	88,032	200,861,870	12,150,000	2,339,514	9,810,486	4.88	111
1998	88,230	225,401,130	35,020,000	3,487,474	31,532,526	13.99	357
1999	88,422	243,871,030	34,010,000	4,713,564	29,296,436	12.01	331
2000	88,614	269,199,190	42,110,000	6,074,979	36,035,021	13.39	407
2001	90,236	300,039,270	40,690,000	7,590,162	33,099,838	11.03	367
2002	90,573	328,505,970	39,195,000	9,467,234	29,727,766	9.05	328
2003	91,068	379,636,150	37,615,000	12,239,197	25,375,803	6.68	279
2004	91,068	393,096,700	65,945,000	15,123,203	50,821,797	12.93	558
2005	91,970	435,685,810	83,450,000	16,910,540	66,539,460	15.27	723

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LAFOURCHE PARISH SCHOOL BOARD  
Ratio of Annual Debt Service Expenditures For General Obligation Bonded  
Debt to Total General Governmental Expenditures  
Last Ten Fiscal Years  
UNAUDITED

Table 9

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	(1) TOTAL GENERAL GOVERNMENTAL EXPENDITURES	RATIO OF DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES
1996	\$2,290,000	\$385,717	\$2,675,717	\$75,171,804	3.16
1997	2,405,000	261,241	2,666,241	84,675,350	2.87
1998	2,130,000	523,765	2,653,765	93,046,776	2.86
1999	1,010,000	1,919,501	2,929,501	92,791,430	3.04
2000	1,300,000	2,086,841	3,386,841	96,249,475	3.52
2001	1,420,000	2,267,480	3,687,480	96,218,408	3.83
2002	1,495,000	2,156,905	3,651,905	103,567,202	3.53
2003	1,580,000	2,040,480	3,620,480	112,906,610	3.21
2004	1,670,000	2,056,936	3,726,936	113,876,448	3.27
2005	2,365,000	1,030,503	3,395,503	117,793,652	2.88

(1) Includes general, special revenue and debt service funds



LAFOURCHE PARISH SCHOOL BOARD  
Statement of Direct, Overlapping and Underlying Bonded Debt  
*UNAUDITED*

Table 10

Name of Government Unit	Outstanding Balance	% Attributable	School Board's Share of Debt
<b>Direct</b>			
Lafourche Parish School Board	\$83,450,000	100%	\$83,450,000
<b>Overlapping and Underlying (1)</b>			
Hospital Service District No. 1	3,250,000	100%	3,250,000
Recreation District No. 2	970,000	100%	970,000
Recreation District No. 11	173,000	100%	173,000
Fire Protection District No. 1	495,000	100%	495,000
Fire Protection District No. 6	540,000	100%	580,000
	<u>\$88,878,000</u>		<u>\$88,918,000</u>

(1) Source: Fiscal Services, Inc. Balances through May 4, 2005

**LAFOURCHE PARISH SCHOOL BOARD**  
**Demographic Statistics**  
**UNAUDITED**

Table 11

Form of Government:	Parish School Board
Geographic Area:	1,472 Square Miles
Population: (1)	91,970
Membership:	15,159
Number of Schools:	28
Total Full Time Employees: (2) Teachers Only:	2,317 1,167

FISCAL YEAR	(1) POPULATION	(1) (3) PER CAPITA INCOME	SCHOOL ENROLLMENT	(1) TOTAL EMPLOYMENT
1996	87,805	\$17,756	16,251	36,770
1997	88,650	19,353	16,076	38,900
1998	89,450	20,713	15,782	41,080
1999	90,060	20,959	15,612	43,470
2000	89,955	22,543	15,453	44,840
2001	90,130	24,960	15,229	47,110
2002	90,730	25,835	15,178	48,470
2003	91,280	26,342	15,162	49,060
2004	91,590	27,273	14,964	49,650
2005	91,970	28,207	15,159	50,240

(1) © Woods and Poole Economics, Inc. 2005. Woods and Poole Economics, Inc. does not guarantee the accuracy of the information and that the use of the information, and any conclusions drawn therefrom, are solely the responsibility of the Lafourche Parish School Board.

(2) 2004 PEP Actual Report

(3) In current dollars.

**LAFOURCHE PARISH SCHOOL BOARD**

Status of Prior Audit Findings  
For the Year Ended June 30, 2005

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
------------------	--	------------------------	--	---

Section I - Internal Control and Compliance Material to the Financial Statements:

2004-1	2004	<p><b>CONTROLS OVER HEALTH INSURANCE CLAIMS PAID</b>                      United Health Care was the third party servicer for half of the fiscal year and Benefits Management Services was the third party servicer for the other half of this fiscal year audited. While United Health Care was the administrator there was no detail accompanying the request for funds and transfers to cover the claims; therefore, it was not possible to review any support - there was none. Benefits Management Services does provide supporting detail accompanying request for funds to be transferred to cover claims, but no one is reviewing these reports prior to transferring the amounts needed to cover claims being paid by the servicer. The client did not request reports on internal controls over either of the third party servicer's administration of claims.</p>	YES	RESOLVED
--------	------	--	-----	----------

Section II - Internal Control and Compliance Material to Federal Awards:

NONE

Section III - Management Letter:

2004-2	2004	<p><b>PERSONNEL RECORDS</b>                      While performing payroll testing and agreed upon procedures testing, supporting documentation in the personnel records could not be located after four attempts. Supporting documents such as the 2003-2004 contracts with the related employee questionnaires, deductions for payroll withholdings, and direct deposit authorizations. Of a sample of 51 items pulled for the agreed upon procedures testing, 40 employee 2003-2004 contracts and related employee questionnaires could not be located. Of a sample of 29 items pulled for payroll testing, 4 2003-2004 contracts with related employee questionnaires, 13 direct deposit authorization forms, 7 insurance deduction forms and 1 association dues authorization could not be located.</p>	YES	RESOLVE
2004-3	2004	<p><b>EQUIPMENT ADDITIONS</b>                      In the last couple of years, a large reconciling item has been on the equipment roll forward amounts for items purchased in the prior year, but not added until the current year. When you compare the entries in the general ledger detail in the equipment capital outlay accounts for the year, they don't agree to the additions in the fixed asset inventory system.</p>	PARTIALLY	PARTIALLY

**LAFOURCHE PARISH SCHOOL BOARD**

Status of Prior Audit Findings  
For the Year Ended June 30, 2005

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
2004-4	2004	<p><b>COMPUTER DEPARTMENT SECURITY</b></p> <p>In general observation, persons outside of the computer department could easily access the mainframe computer. Also, new deliveries of technology equipment appear to be dropped off in the computer department without personnel receiving the equipment checking the quantities. This equipment is also stored in the hallways of the computer department until it can be placed in location.</p>	YES	RESOLVED
2004-5	2004	<p><b>SALARY OVERPAYMENTS</b></p> <p>Five persons who terminated during the year audited were overpaid approximately \$3,000. According to persons in the Payroll Department, these employees were notified of the overpayments but have not responded and no collections have been received.</p>	YES	RESOLVED
2004-6	2004	<p><b>SICK LEAVE ESTIMATES</b></p> <p>Day-by-day substitutes who were former employees of the school board appeared on the sick leave list with balances due. These amounts were excluded from this year's estimate. A board member who was a former employee appeared on this year's list with a \$1,000 payout balance. The amount was not excluded from this year's estimate. Three fake/test employees appeared on the list. Two of the three did not have/earn sick leave, therefore, they did not have a balance. However, one test employee had a payout balance of \$2,411.88. That amount was not excluded from this year's sick leave estimate. Although not discovered in our audit tests, it appears from conversations with employees, that persons who have already been paid the 25 days of sick leave upon entering DROP are appearing on this list and the amounts are being included in the sick leave estimate.</p>	YES	RESOLVED

**LAFOURCHE PARISH SCHOOL BOARD**  
**CURRENT YEAR FINDINGS, RECOMMENDATIONS**  
**AND CORRECTIVE ACTION PLAN**  
**For the Year Ended June 30, 2005**

**SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENTS:**  
**NO FINDINGS TO REPORT**

**SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL  
AWARDS:**

**Reference #: 2005-1**  
**LEARN FOR THE 21<sup>st</sup> CENTURY – KIDS IN ACTION – REIMBURSEMENT  
REQUEST**

*Description of Finding:*

While testing the reimbursement request for the LEARN for the 21<sup>st</sup> Century (Kids in Action Program), it was noted that the general ledger printouts of actual expenditures for that period were not being used as support for the request. The person preparing the request was using the purchase order amounts for purchases and amounts for personnel costs were not being tied into the payroll journals. Also requests for reimbursement were being prepared with overlapping dates.

*Corrective Action Planned:*

*Angela Hebert, Internal Auditor, has met with the person administering the program and is in the process of straightening out the past request and showing the administrator how to correctly request federal funds. Superintendent Matthews has organized a committee to recommend a restructured Business Department to the School Board. One of the options under review is the addition of a second head accountant position. This will give the department the personnel it needs for additional oversight and for adequate training of those individuals who handle federal funds.*

*Name of Contact Person:*

*Don Gaudet, Business Manager*

*Anticipated Completion Date:*

*May of 2006*

*SECTION III – MANAGEMENT LETTER COMMENTS:*

*Reference #:* 2004-3  
**Equipment Additions**

*Description of Finding:*

In the last couple of years, a large reconciling item has been on the equipment roll forward amounts for items purchased in the prior year but not added until the current year. When you compare the entries in the general ledger detail in the equipment capital outlay accounts for the year they don't agree to the additions in the fixed asset inventory system.

*Corrective Action Planned:*

*Don Gaudet, Business Manager, will reconcile the amounts included in equipment expenditures and the amounts included in the fixed asset system. Again, the restructuring of the department will ensure more oversight of the process and training of the site coordinators.*

*Name of Contact Person:*

*Don Gaudet*

*Anticipated Completion Date:*

*June 2006*



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# STAGNI & COMPANY, LLC

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December 16, 2005

To the Lafourche Parish School Board  
Thibodaux, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2005, and have issued our report thereon dated December 16, 2005. 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 and provisions of OMB Circular A-133.

During the course of our examination, we became aware of the following matters, which represent immaterial deviations of compliance or suggestions for improved internal controls.

### **Suggestion 2004-3 Equipment Additions**

Criteria:	All capital outlay items over \$1,000 should be capitalized into the fixed asset system in the year of purchase.
Condition:	In the last couple of years, a large reconciling item has been on the fixed asset system amounts for items purchased in the prior year but not added until the current year. When you compare the entries in the general ledger detail in the equipment capital outlay accounts for the year they don't agree to the additions in the fixed asset inventory system.
Cause:	Employees handling the property accounting additions are not inputting the capital outlay purchases in a timely manner and no one is reconciling the amounts in the capital outlay accounts to the fixed asset additions for the year to determine that all assets purchased over \$1,000 was added into the fixed asset inventory system.
Effect:	Each year reconciling entries are required to agree fixed asset purchases from the general ledger to the capital outlay additions in the fixed asset inventory system.

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**Recommendation:** We recommend that the Lafourche Parish School Board implement a better tracking system of additions to the fixed asset inventory system by training personnel in charge of additions about the impact that not timely inputting additions is having on the financial statements. We also recommend that the accounting department compare the capital outlay accounts for equipment to the fixed asset additions at year-end to investigate and correct any variances.

We recommend management address the foregoing issues as an improvement to operations and the administration of the Lafourche Parish School Board's programs. We are available to further explain the suggestions or help implement the recommendation.

*Stagni & Company*

December 16, 2005  
Thibodaux, LA







# STAGNI & COMPANY, LLC

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of the Lafourche Parish School Board:

We have performed the procedures included in the *Louisiana Governmental Audit Guide* as enumerated below, which were agreed to by the management of the Lafourche 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 the Lafourche 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 and applicable standards of *Government Auditing Standards*. 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.

**We noted no differences.**

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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.

**We noted no differences.**

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.

**We noted no differences.**

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

**We noted no differences.**

Number and Type of Public Schools (Schedule 3)

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

**We noted no differences.**

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.

**We noted no differences.**



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.

**We noted no differences.**

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

**We noted no differences.**

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.

**In one out of the 10 classes tested, there was an exception noted for a student on the roll book who was not in that class.**

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

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

**We noted no differences.**

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

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

**We noted no differences.**

The Iowa Tests (Schedule 9)

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

**We noted no differences.**



Lafourche Parish School Board

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

This report is intended solely for the use of management of the Lafourche 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.

*Stagni & Company*

Thibodaux, Louisiana

December 16, 2005



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

Schedule 1

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2005

**GENERAL FUND INSTRUCTIONAL EQUIPMENT AND EXPENDITURES**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom teacher salaries	\$37,192,542	
Other instructional staff salaries	5,804,598	
Employee benefits	11,514,623	
Purchased professional and technical services	319,357	
Instructional materials and supplies	3,831,471	
Instructional equipment	330,503	
Total Teacher and Student Interaction Activities		\$58,993,094

Other Instructional Activities 490,298

Pupil Support Activities	5,103,566	
Less Equipment for Pupil Support Activities		
Net Pupil Support Activities		5,103,566

Instructional staff services	5,121,684	
Less Equipment for Instructional staff services		
Net Instructional staff services		5,121,684

Total General Fund Instructional Expenditures: \$69,708,642

Total General Fund Equipment Expenditures \$482,277

**CERTAIN LOCAL REVENUE SOURCES**

Local taxation sources:

Constitutional ad valorem tax	\$1,643,715
Renewable ad valorem tax	9,398,035
Debt Service ad valorem tax	7,193,868
Up to 1% of collections by the sheriff on taxes other than school taxes	538,473
Sales and use taxes	20,180,611
Total local taxation revenue	<u>\$38,954,702</u>

Local earnings on investment in real Property:

Earnings on 16th section property	\$1,299,266
Earnings from other real property	1,081
Total local earnings on investment in real property	<u>\$1,300,347</u>

State revenue in lieu of taxes:

Revenue Sharing - Constitutional Tax	\$144,442
Revenue Sharing - Other Taxes	258,130
Revenue Sharing - Excess Portion	
Other Revenue in lieu of taxes	
Total state revenue in lieu of taxes	<u>\$402,572</u>

Non-public Textbook Revenue \$75,383

Non-public Transportation Revenue \$270,391

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

*Schedule 2*

Educational Levels of Public School Staff  
As of October 1, 2004

Category	Full-time Classroom Teachers				Principals and Assistant Principals			
	Certified		Uncertified		Certified		Uncertified	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree			3	4%				
Bachelor's Degree	834	80%	70	89%				
Master's Degree	128	12%	6	8%	10	16%		
Master's Degree +30	70	8%			51	84%		
Specialist in Education	4							
Ph. D. or Ed. D.	1							
Total	1,037	100%	79	101%	61	100%		

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

*Schedule 3*

Number and Type of Public Schools  
For the Year Ended June 30, 2005

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Type	Number
Elementary	17
Middle/Jr. High	7
Secondary	3
Combination	1
Total	28

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

Schedule 4

Experience of Public Principals and Full-time Classroom Teachers  
As of October 1, 2004

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Type	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Number
Assistant Principals			3	10	5	8	7	33
Principals			2	3	1	2	20	28
Classroom teachers	96	138	374	142	102	90	174	1,116
Total	96	138	379	155	108	100	201	1,177



LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

*Schedule 5*

Public School Staff Data  
For the Year Ended June 30, 2005

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	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$35,604	\$35,500
Average Classroom Teacher's Salary Excluding Extra Compensation	\$35,300	\$35,200
Number of Teacher Full-time Equivalent (FTEs) used in Computation of Average Salaries	1,104	1,090

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

Schedule 6

Class Size Characteristics  
As of October 1, 2004

Category	Class Size Range									
	1-20		21-26		27-33		34 or more		Total	
	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number
Elementary	21.4%	710	9.2%	304	0.3%	11			30.9%	1,025
Elementary Activity Classes	0.8%	28	0.8%	25	0.1%	3			1.7%	56
Middle/Jr. High	7.6%	252	14.8%	491	5.9%	196			28.3%	939
Middle/Jr. High Activity Classes	1.4%	47	1.6%	54	1.4%	45	0.7%	22	5.1%	168
High	12.7%	421	8.9%	295	6.8%	225			28.4%	941
High Activity Classes	3.6%	120	0.8%	26	0.9%	30	0.4%	12	5.7%	188
Combination		1								1
Combination Activity Classes										
Total	47.5%	1,579	36.1%	1,195	15.4%	510	1.1%	34	100%	3,318

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

Schedule 7

Louisiana Educational Assessment program (LEAP) for the 21st Century  
For the Year Ended June 30, 2005

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2005		2004		2003		2005		2004		2003		2005		2004		2003		2005		2004		2003	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Students	2	22	2	26	1	10	2	27	2	24	2	28	3	42	1	11	1	14	1	8	1	10	1	16
Advanced	15	187	15	185	11	139	14	176	13	162	12	153	11	140	12	147	11	139	7	91	12	146	10	131
Proficient	40	491	36	446	41	534	41	501	34	427	40	515	47	577	43	537	41	524	48	590	43	534	46	584
Basic	26	323	26	322	28	364	22	269	23	286	25	319	31	382	31	389	36	468	27	338	25	308	26	339
Approaching Basic	17	214	22	271	19	242	21	264	28	351	21	273	8	98	13	162	11	139	17	212	20	246	16	204
Unsatisfactory	100	1,237	101	1,250	100	1,288	100	1,237	100	1,250	100	1,288	100	1,237	100	1,246	100	1,265	100	1,237	101	1,245	99	1,284
Total																								

District Achievement Level Results	English Language Arts						Mathematics						Science						Social Studies					
	2005		2004		2003		2005		2004		2003		2005		2004		2003		2005		2004		2003	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Students	2	2	6	6	4	4	2	22	2	20	2	23	1	10	1	6	1	8	2	2	1	8	1	1
Advanced	12	151	8	104	12	145	6	76	8	72	4	49	17	210	15	173	10	123	8	100	6	73	6	70
Proficient	35	439	35	439	37	451	44	571	45	578	38	488	36	443	37	435	34	405	44	539	39	463	41	491
Basic	32	403	36	453	34	419	22	287	22	278	25	328	29	352	27	320	36	438	24	287	31	365	29	354
Approaching Basic	20	246	20	288	17	204	26	339	28	337	31	401	17	201	21	253	19	234	24	287	23	277	24	290
Unsatisfactory	99	1,241	99	1,260	100	1,223	100	1,285	101	1,285	100	1,280	100	1,216	101	1,187	100	1,208	100	1,215	100	1,186	100	1,206
Total																								

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

Schedule 8

The Graduation Exit Examination for the 21st Century (GEE21)  
For the Year Ended June 30, 2005

District Achievement Level Results Students	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
<b>Grade 10</b>												
Advanced	1%	10	2%	15	1%	6	7%	60	5%	48	4%	46
Proficient	15%	133	19%	167	10%	95	14%	124	15%	131	13%	142
Basic	47%	431	43%	383	42%	413	42%	385	40%	355	33%	373
Approaching Basic	26%	233	20%	181	25%	251	17%	150	18%	164	22%	246
Unsatisfactory	11%	101	16%	146	23%	229	21%	188	22%	199	29%	322
<b>Total</b>	<b>100%</b>	<b>908</b>	<b>100%</b>	<b>892</b>	<b>101%</b>	<b>994</b>	<b>101%</b>	<b>907</b>	<b>100%</b>	<b>897</b>	<b>101%</b>	<b>1,129</b>

District Achievement Level Results Students	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
<b>Grade 11</b>												
Advanced	3%	22	2%	19	2%	18		2		2	1%	9
Proficient	14%	117	14%	130	9%	89	7%	59	8%	72	7%	68
Basic	42%	348	42%	375	42%	417	51%	421	51%	458	43%	429
Approaching Basic	27%	229	26%	231	27%	266	24%	200	26%	232	25%	250
Unsatisfactory	14%	118	16%	147	21%	205	18%	151	15%	137	24%	237
<b>Total</b>	<b>100%</b>	<b>834</b>	<b>100%</b>	<b>902</b>	<b>101%</b>	<b>895</b>	<b>100%</b>	<b>833</b>	<b>100%</b>	<b>901</b>	<b>100%</b>	<b>993</b>

LAFOURCHE PARISH SCHOOL BOARD  
Thibodaux, Louisiana

**Schedule 9**

The Iowa Tests  
For the Year Ended June 30, 2005

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Type	Composite		
	2005	2004	2003
<b>Test of Basic Skills (ITBS)</b>			
Grade 3	56	57	54
Grade 4	N/A	N/A	N/A
Grade 5	58	56	52
Grade 6	41	44	40
Grade 7	47	50	46
<b>Test of Educational Development (ITED)</b>			
Grade 9	48	46	40
Total			