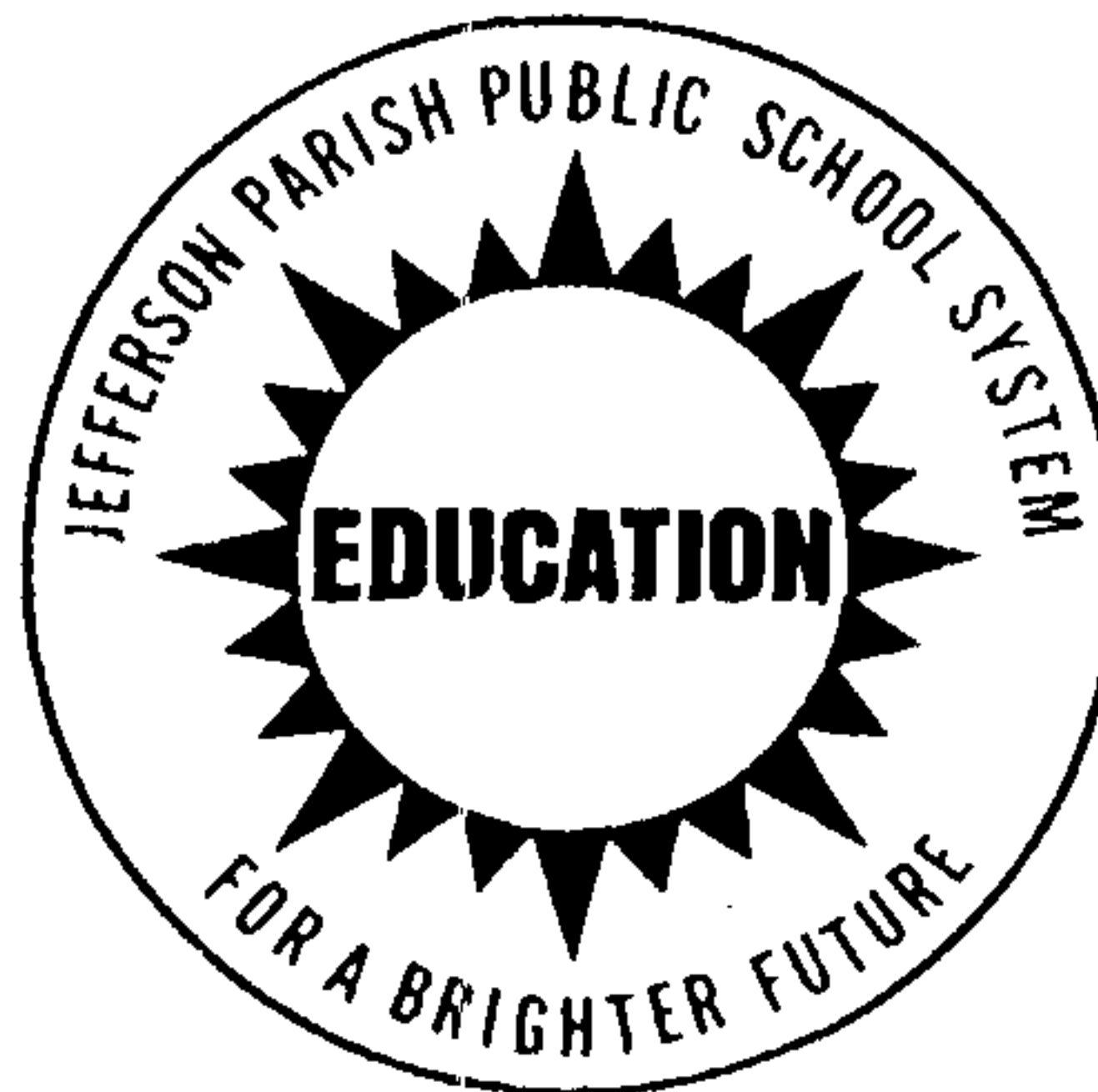


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JEFFERSON PARISH PUBLIC SCHOOL SYSTEM



Comprehensive Annual Financial Report

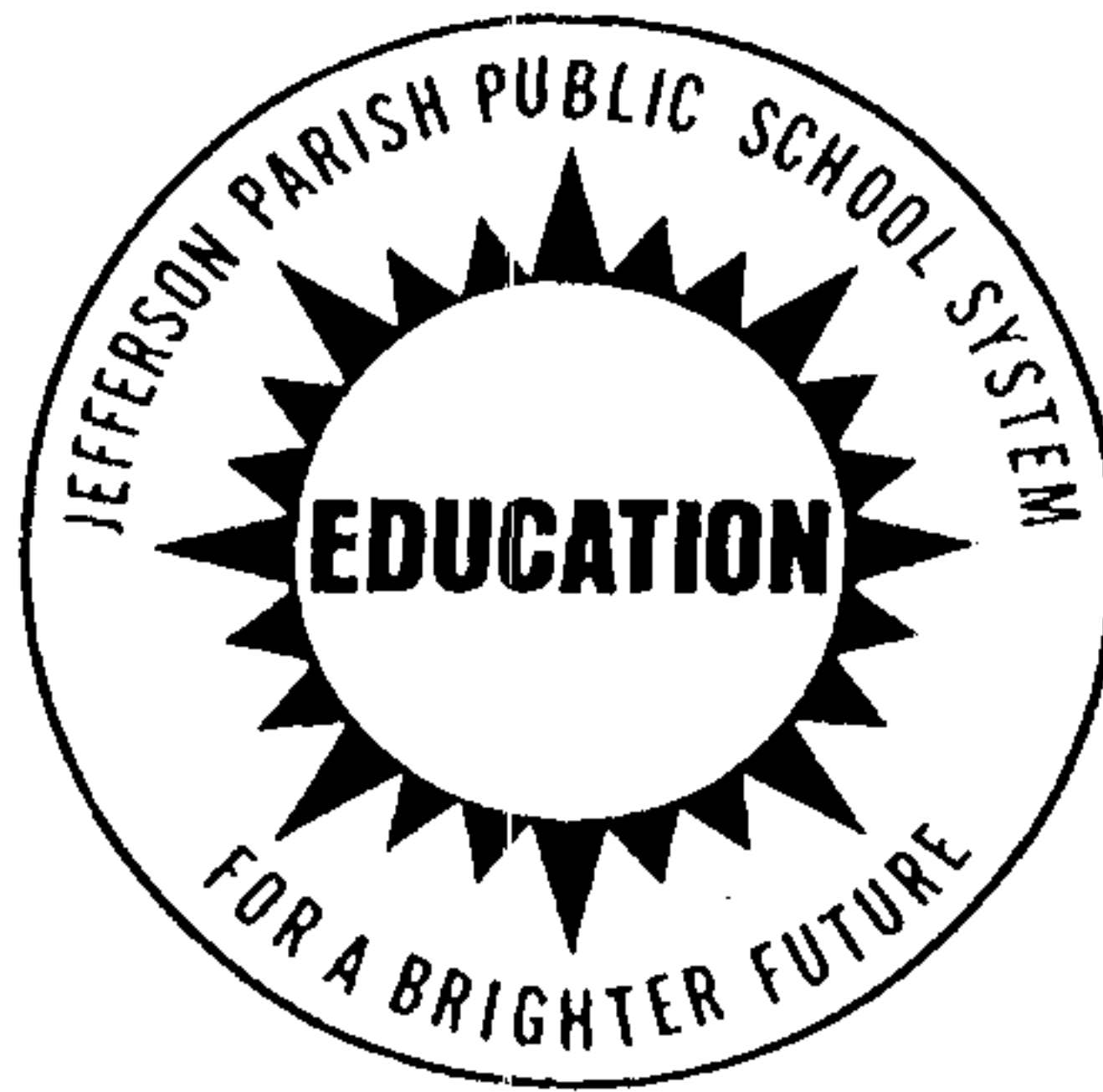
FISCAL YEAR ENDED JUNE 30, 2001

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 3/27/02

501 MANHATTAN BOULEVARD
HARVEY, LOUISIANA 70058-4495

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM



Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 2001

Prepared By
Business Services Department

501 MANHATTAN BOULEVARD
HARVEY, LOUISIANA 70058-4495

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED JUNE 30, 2001

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INTRODUCTORY SECTION



ELTON M. LAGASSE
SUPERINTENDENT

BUSINESS SERVICES
JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

4600 RIVER ROAD
MARRERO, LOUISIANA 70072-1943
(504) 349-7627
FAX (504) 349-7630
www.jppss.k12.la.us

RAYLYN STEVENS, CPA
CHIEF FINANCIAL OFFICER

November 19, 2001

Honorable Board Members
Jefferson Parish Public School System
501 Manhattan Boulevard
Harvey, Louisiana 70058

Members of the Board and Citizens of Jefferson Parish:

The comprehensive Annual Financial Report (CAFR) of the Jefferson Parish Public School System (School System) for the fiscal year ended June 30, 2001 is submitted herewith. This report was prepared by the School System's Business Services Division. Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School System. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the School System as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the School System's financial activities have been included.

The CAFR is presented in three sections: (1) introductory, (2) financial, and (3) statistical. The introductory section includes this transmittal letter, the School System's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund financial statements and other supplemental information, as well as the independent auditors' report on the financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The School System is required to undergo an annual single audit in conformity with provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments." Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and independent auditors' reports on the internal control over financial reporting and on compliance with the requirements applicable to each major program and the internal control over compliance in accordance with A-133 are included in a separate report.

THE REPORTING ENTITY

The Jefferson Parish Public School System is an independent special district created for the purpose of providing elementary and secondary education to the citizens of Jefferson Parish, Louisiana. The general purpose financial statements of the School System include the accounts of all School System operations. These financial statements present the School System as the primary government.

The remainder of this transmittal highlights the governance structure, the mission, the accomplishments and initiatives, the economic conditions and outlook, and the financial activities of the School System.

The School System has one component unit, the Jefferson Community Charter School, which is presented as a discretely presented component unit. The Jefferson Community Charter School is included in the reporting entity because it is fiscally dependent on the School System. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grade who have been expelled from the parish public school system to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high schools.

The School System is governed by a nine-member school board (Board) elected by the citizens. Each member is elected to a four-year term, and the terms are concurrent. See page xvii for a listing of the present members of the Board along with the administrative officials who are appointed by the Board.

Regular meetings are scheduled the first and third Wednesday of the month and are held in the School System Administration Building or Board Room at Bonnabel High School. Special meetings are scheduled as needed and announced in compliance with public notice requirements.

The Board has final control over local matters limited only by the state legislature, by the courts, and by the will of the people as expressed in School Board elections. Board decisions are based on a majority vote of those present.

In general, the Board adopts policies, sets direction for curriculum, employs the superintendent, and oversees the operations of the School System and its schools. Besides general Board business, board members are charged with numerous statutory regulations including calling board and other school elections and canvassing the results of elections, organizing the Board, and electing its officers. The Board is also responsible for setting the *ad valorem* tax rate, setting salary schedules, acting as a board of appeals in personnel and student matters, confirming recommendations for textbook adoptions, and adopting and amending the annual budget.

The Board solicits and evaluates community input and support concerning school policies.

MISSION

The School System's adopted mission is:

...to provide educational programs to meet the identified needs of all students in a learning environment that stimulates academic achievement and intellectual curiosity, develops positive personal qualities and well-being, and fosters respect for individual differences.

To accomplish its mission, the School System provides a full range of educational services appropriate to grade levels ranging from pre-kindergarten through adulthood. These include regular and enriched academic education, special education for children with disabilities, vocational education, and special programs for those with limited English proficiency. These programs are supplemented by a wide variety of offerings in the fine arts and athletics.

We, in the Jefferson Parish Public School System, recognized the challenges we face as we prepare students for the 21st. century. The demands placed upon us as we enter the new millennium have increased. We must not only prepare our children to read, write, and do arithmetic, we must prepare them to live in a fast-changing, technologically-driven, globally competitive world. We must assist those who don't succeed academically since they will not find work as unskilled laborers as those jobs have moved overseas or have been eliminated. We must prepare our children to understand and take their

places in an increasingly complex and challenging world, a world that will require them to keep on growing and changing with it.

To meet this very demanding role, we have developed an academically challenging curriculum that includes programs for the gifted and talented as well as programs that prepare students for the world of work. Our high school *academies* prepare students for the world of work by coordinating these *academies* with real work experiences. We offer *academies* in the field of banking, travel and tourism, restaurant management, law-related careers, education, and health services. A credit union has even been established at one of the high schools where students are allowed to have real accounts, deposit and withdraw their own money, and learn hands on how to deal with their finances. Our students have the opportunity to visit selected workplaces, to participate in internships their senior year, and even, in some instances, to be placed in summer jobs.

We recognize that technology is critical for our students to be prepared to enter the world of work. Each of our 85 schools have computers in the classrooms or computer labs which enhance the curriculum. Many of our schools utilize computer instructional programs such as Plato, Accelerated Reader, etc. All of our schools have Internet access through the libraries and the majority of our schools are wired for Internet access in the classrooms. We will continue to wire all classrooms through our two annual NetDays. Our schools also have E-mail communications. Our students have created web sites, participated in electronic classrooms, and communicated via E-mail and the Internet with other students across the nation. Using digital satellite technology rerouted through our instructional access cable channel, our students at remote sites can enroll in classes such as Japanese, Spanish, Latin, and advance placement mathematics. Our school district has invested heavily in the use of advanced technology as a teaching tool.

The School System's commitment to its mission is reflected in its allocation of financial resources. The 2001/2002 budget was adopted on July 11, 2001. Total expected budgeted expenditures for the General Fund are \$279,490,088. Projected revenues and other financing sources for the General Fund total \$280,688,958. The projected year-end fund balance for FY 2001/2002 is \$6,932,122.

State funding for Equalization related to the 2001/2002 budget as compared to the 2000/2001 actual is projected to decrease based on the expected loss of 1,237 students or 2.5%. The loss of students is state-wide and in no way reflects unfairly on the Jefferson Parish Public School System. Sales taxes are projected to grow at a 2.0% rate while ad valorem taxes are projected to increase slightly.

The Jefferson Parish Public School System, in terms of size, is considered among Louisiana's school districts to be second only to its neighboring district, the Orleans Parish Public School System. The following statistics serve to illustrate:

Student population (projection 2001/2002)	49,000
Number of Schools	85
Number of students transported daily	34,494
Number of school buses	333
Number of teachers	3,922
Number of employees (all funds)	7,492
Number of student lunches served daily	33,425
Number of schools that provide breakfast	82
Number of schools that have lunch programs	82
Number of employee lunches served daily	933
Number of student breakfasts served daily	12,986
Annual operating budget	\$279,490,088
Cost per pupil	\$5,704

Among the noteworthy events occurring during the school year 2000-2001 were:

Milton Skorlich, principal of Alice Birney Elementary School was selected as a national distinguished principal by the 2000 National Distinguished Principals Program.

The following principals were selected as 2001 Principals of the Year. Jackie Daniilidis, Estelle Elementary School; Phyllis Benoit, Bunche Middle School; and Ray Ferrand, Bonnabel High School.

Margie Parker, bilingual/ESOL administrator and Jackie Daniilidis, principal of Estelle Elementary, were named Administrators of the Year.

The Teachers of the Year for the 2000-2001 school year are Peggy Collins, a special education teacher at Phoebe Hearst Elementary; Elizabeth Bakewell Rodriguez, a computer lab teacher at Worley Junior High; and Octavio Hernandez, a mathematics teacher at Grace King High.

Dr. Cheryl Milam, assistant principal for curriculum at East Jefferson High School has the honor of being published in a college and reference textbook for gifted education entitled Methods and Materials for Teaching Gifted.

Clifton Casteel, a teacher at Henry Ford Junior High, has had an article accepted for national publication. The article titled, Effects on Answer-Changing Behavior on Multiple-Choice Test Items and Reasons Given by Young Examinees for Changing Initial Responses: What Counselors and Test Administrators Should Know was published in the British Journal of Social Psychology, December/January 2001.

The following teachers were recipients of the 2000-01 BellSouth mini grant. Each teacher received a \$500 grant. They were: Karen Oldham, Harris Middle School; Lisa Valence, Pitre Elementary; Sandra Lee, Adams Middle, Randall Kennedy, West Jefferson High; Kristeen Bauer, Lafitte Elementary and Sally Falcone, McDonogh 26 Elementary.

Joseline Gosserand Frank of West Jefferson High School was named the 2000 School-to-Career Educator of the Year. This award is sponsored by the New Orleans Regional Chamber and Cox Communications.

The Bureau of Governmental Research has selected Pat Mendoza, principal of Terrytown Elementary School, and Barbara Doles, principal of Woodmere Elementary School, as honorees of the BGR Award.

Two Jobs for Louisiana's Graduates program job specialists, Susan Cochran, Bonnabel and Michael Nelson, Higgins, received national recognition for exceeding national program performance outcomes in graduation rate; positive outcome rate; and full-time job placement rate for their participants at the Jobs for America's Graduates Conference. The JLG program competed with 28 states and placed first for their market place exhibit.

Tracey Pollard and Betty Roberts, fourth grade teachers at Pitre Elementary were selected by the Title I department to be presenters at the International Reading Association. The title of their topic was Generative Topics which demonstrates the incorporation of reading strategies into math lessons for problem solving.

Kimberlee Brent, an innovative kindergarten teacher at Butler Elementary School, was awarded the Suzanne Aldige Emmi Award. This award is presented to an outstanding early childhood educator in the Jefferson Parish Public School System.

Mary Alice Cain, a science teacher at East Jefferson High School, has been awarded the Outstanding Teacher Award by the National Marine Educators Association (NMEA).

Shirley Vale, a social studies teacher at John Ehret High, has been named the Louisiana Law Related Education Teacher of the Year for 2001 and National Teacher of the Year by the American Lawyers Auxiliary. She received a plaque, flowers and a check for \$500. This summer, Ms. Vale will travel to Chicago to receive the National Teacher of the Year award. In addition to the plaque, the American Lawyers Auxiliary will present her with a check for \$1,000.

Mr. Chris Reuter, an American history teacher at Higgins, recently won The New York Times' National Excellence in Teaching Award. This award recognizes teachers who are making an outstanding difference in their schools and communities as well as to their students.

Wade Price a teacher at Gretna Junior High has been awarded a James Madison Memorial Fellowship by the James Madison Memorial Fellowship Foundation of Washington D.C. James Madison Fellowships support the further study of American history by aspiring or experienced teacher of American history.

Carol Mancuso and Shannon Cummings of the safe and drug free department were invited to make a presentation at the Louisiana Governor's Juvenile Justice and Delinquency Prevention Conference in Baton Rouge. They were invited because of the response to the same presentation they gave at the State FINS Conference held last May.

The following Cuillier Career Center instructors have been awarded \$1,000 Brown Foundation Grants for projects during the 2000-01 school year. Constance Forester, Teach Manners to Students; Charlotte Carrigee, Teach Character Counts to Elementary Students; Cheryl Rivers, Students to Serve as Teacher Assistants; and Curtis Diggs, Perform Campus Beautification. The three instructors who were awarded matching technology funds this year were Ernest Pettigrew; CAD drafting; Jack Bell, air conditioning and refrigeration; and Cindy Robison, TV technology.

Cherry Roussel, one of the visual arts talent teachers, recently had seven paintings featured in the Junior League Northshore Designer Showhouse IV exhibit in Mandeville. She was also juried into the 17th National Arts Education Association Electronic Gallery Membership Exhibit in New York where she was chosen as one of four Louisiana artists to exhibit throughout the nation.

Caterine Coleman, Riverdale Middle, Deborah Fox, Jefferson Elementary, Gloria Guidry, Strehle Elementary, Rhonda McMahon, Riverdale Middle and Kathy West, Adams Middle were recognized for achieving certification by the National Board for Professional Teaching Standards.

Stephanie Durant, fourth grade science teacher at Chateau Estates, has received a partnership grant from the Louisiana Section of the Air & Waste Management Association.

Peggy Hopkins, teacher at Ellender Middle and Anita Gregson, teacher at Truman Middle, were co-presenters at the TASH conference held in Miami, Florida. This conference is the most prestigious conference devoted to issues surrounding individuals with severe disabilities.

ESL teacher at Miller Wall, Ellen Rock, wrote and received a Ronald McDonald House Charities Grant totaling \$9,150. The grant will be used to provide the students with a computerized weather station with direct connections to Channel 4 and the internet.

Cynthia Butler-Blucher, personnel administrator for classified employment, has been invited to join the academy faculty of the American Association of School Personnel Administrators. She presented at the 2001 Academy I of AASPA. Ms. Butler-Blucher has also been invited to be included in the summer academy.

The Safe and Drug Free Schools and Communities Program received the prestigious Ounce of Prevention Award from the Council on Alcohol and Drug Abuse for Greater New Orleans (CADA). Carol Mancuso, violence prevention facilitator of the Safe and Drug Free Schools and Communities program, was honored by the Louisiana National Guard with their Louisiana Distinguished Civilian Service Medal. The citation honors Ms. Mancuso for her time and expertise promoting a drug-free community while serving as both a *trainer and facilitator for the ROPES Challenge Course Program*.

Cherreen Gegenheimer, Riverdale High teacher, has been selected by the Jefferson Parish Council as its at-large representative on the Jefferson Parish Charter Advisory Board.

Mrs. Katie Sunseri, an Ellender teacher, was selected as a contestant on Jeopardy and won first place the first three days and second place on the fourth day.

Dianne Tutie Bourgeois, driver of bus 122 has been selected the West Bank Bus Driver of the Year and Lloyd Fourroux, driver of bus 200 has been selected the East Bank Bus Driver of the Year. Mr. Michael Noote, Live Oak Elementary, was selected support personnel of the year for the west bank. Ms. Diane Gilles, cafeteria manager at J.C. Ellis Elementary, was selected as Child Nutrition employee of the year on the east bank. Mary Murrell and Peggy Dantagnan were selected paraprofessional Employees of the Year for the East Bank and West Bank respectively. Carol Reppel, secretary of Alice Birney and Debbie Wenzel, account clerk from Bridge City Elementary, were selected Clerical Personnel of the Year.

The Jefferson Parish Public School System TV studio won six Telly Awards for this year. This prestigious television industry honor was founded in 1980 to recognize excellence in television programs at the local, regional, and national levels.

STUDENT ACHIEVEMENT

The Jefferson Parish Public School System Students of the Year are Sterling Stevens, Riviere Elementary School, Tyler Barker, Marrero Middle School and Jennifer Chan, Ehret High School.

National Merit Finalists for 2000-2001 are as follows: Geoffery Rodriguez and Rachel Davis, John Ehret High School; Rebecca Aiken, Katie Bruno, James Dang, and Shilpa Gadde, Grace King High School. Juan Espinoza, Grace King High School, is a National Hispanic Scholar Finalist.

Rebecca Aiken and Dewan Majid are Grace King students who are eligible to receive a \$500 State Rally Scholarship for their placement in the keyboarding/typewriting I and world geography, respectively, at the Louisiana State Rally 2000. Rebecca also placed first in journalism I. Geoffrey Rodriguez at Ehret placed first in world history.

Kevin Songy, a Bonabel high school senior and an East Jefferson Academy of Fine Arts student, competed and won the WB Channel 38 Casting Call 2000 acting competition. Kevin will compete in the national competition.

Haynes Middle School cheerleaders were awarded the leadership award which is the highest accolade given at UCA cheer camps.

Kandace Beemel, a fifth grade student at Phoebe Hearst Elementary, was honored by the U.S. Department of Defense at the Pentagon for her award winning Red Ribbon week slogan.

Alexis Lange and Miranda Moore, Estelle Elementary, set new state records in the softball throw in the GUMBO competition. Alexis also placed first in the shot put. Mylanagel Willingham, also from Estelle, placed first in shot put also setting a new state record.

Sarah Savage, an Ellender seventh grader, won first place in the 4-H archery competition held at Camp Walker in Pollock. Ellender's eighth grader, Everett Glapion, won a gold medal in the discus throwing competition.

Michael Dymond, a sixth grade student at Meisler Middle, auditioned and won a seat in the Louisiana Music Educators Association's Elementary Honor Band. Michael was the only Jefferson Parish Public School System elementary student chosen. The following students were chosen for the junior high honor band: Brian Burkett, Jennifer Bunnell, Niki Naquin, and Martin Walker, Roosevelt; Emily Hodgson, Adams; Divya Japa, Sneha Prasankumar, Akane Kitazaki, Erin Leonard, Daniel Trice, Christopher Calamari, Michael Dours, Enrique Caballero, Scotty Granger, Alyss Mazariegos, Douglass Alongia, Jesse Reeks and Han Tran, Meisler; Joshua Avery, and Michael Benedetto, Worley.

Matthew Perrin, a senior at Fisher Middle-High School and Patrick Schielder, a senior at Grace King High School achieved perfect attendance for their 13 years of education.

The following students were winners in the Louisiana School Board Association Annual Artwork Contest: Pio Bourgeois, Fisher Middle-High; Stephanie Zink, Haynes Middle; Seth Terrebonne, Grand Isle.

The following Jefferson Parish Public School students participated in the Games Uniting Mind and Body (G.U.M.B.O.) in Windsor, Canada: Ronald Richardson, Higgins High, Kristina Arntz, Riverdale High, and Amanda Gaffney, Riverdale Middle. Amanda Gaffney broke the international record for the 100 meter race, 200 meter race, and the running long jump. They all earned first and second place honors. They were accompanied by Coach Christy Little.

Sixteen Ellender Middle School students competed in the Archbishop Shaw High School Junior High Math Fest. Johnathan Tate won first place medal in the pre-algebra individual category. In the propaganda tournament, Kayla Green received first place in the individual round.

Tim Upton, a culinary arts 1 student at Bonnabel High School prepared his original recipe, Southwestern Wagon Wheel Pasta Primavera, for WYES, Channel 12. Tim was the youngest cook ever selected and the first high school student to send in a healthy cooking recipe. His recipe will be published unmodified in the Channel 12 Healthy Cooking Cookbook.

Jose Iado, East Jefferson High, was selected to the 2000 All-district Football Team, Class 5-A All-State Academic Football Team and to the All-State Composite Academic Football Team which comprises classes 1-A through 5-A. Jose was the only player from Jefferson Parish selected to this team which includes public, parochial and private students. Gerard Victoriano, Fisher Middle-High, was recently selected to the 2000 9-2A All-district Football Team, the All State Composite Academic Football Team, and the 2-A All-State Academic Football Team. Murphy Walton, Fisher Middle-High School, was selected to the All-State Composite Academic Football Team, the 2-A All State Academic Football Team. They were among only three players from Jefferson Parish selected to these teams.

Matthew Perrin, Fisher Middle-High and Sharon Carillo, Ehret High, were among students from Louisiana named semifinalists in the Coca-Cola Scholars Program.

J.C. Ellis Elementary team members placed first in the Jefferson Parish elementary Cap Quiz Bowl at the fifth grade level. Airline Park took first place at the fourth grade level.

The Riverdale High speech team was the only public school speech team in the state to receive an invitation to the Harvard University National Speech and Debate Tournament. Jeremy McGawley won the national championship in dramatic interpretation. Other members of the team were Jeana Aultman, David Barnes, Brynn Cox, Josh Crowley, and Stephen Roques.

Harold Bridges, a student at Riverdale High, was presented the Special Education Student Achievement award.

Erin Bannister and Martin Lanzas, West Jefferson High, were selected to participate in the national program Presidential Classroom in Washington, D.C. They met with senators and congressmen, attended congressional sessions, and participated in governmental forums with youth from around the United States.

Preston Christian, sixth grade student at Meisler Middle; and Kelli Eiermann and Christina Dinwiddie, eight grade students at Adams Middle, have been selected to represent the United States in the United Kingdom and Ireland this summer as part of the People to People Program which was founded by President Dwight D. Eisenhower in 1956.

INSTRUCTIONAL PROGRAM

The heart of the school system is a varied curriculum and a wide range of educational experiences offered from pre-kindergarten through adulthood for the community.

- The core curriculum addresses English, mathematics, science, reading, social studies, creative arts and physical education. Electives in junior and senior high school include foreign languages, art, music, vocational courses, computer science and computer literacy.
- The program for academically gifted students offers structured enrichment classes and specially designed elective classes to children beginning at age three and continuing through grade 12
- The special education department identifies and evaluates children with disabilities from birth through the age of 21. Students receive occupational therapy, physical therapy, speech, and social work services as well as specialized instruction during the school year and the summer (extended school year). They are taught skills to help them function in the community, and they are offered the largest array of vocational programs, including job counseling and placement.
- The vocational education plan ensures that every freshman will be able to take a vocational elective. This plan also integrates career awareness in all subject matter areas.
- Title I is a federally funded program designed to improve the educational opportunities of educationally deprived children by helping them succeed in the regular program, attain grade level proficiency, and improve achievement in basic and more advanced skills. These purposes are accomplished through academic instruction in the areas of reading/language arts and math, increased parental involvement and implementation of innovative programs.
- Title II Dwight D. Eisenhower Professional Development Program's major goal is to improve the teaching and learning of all students by helping to ensure that teachers, and where appropriate, other staff and administrators, have access to sustained and intensive high-quality professional development that is aligned to challenging state content standards and challenging state student performance standards, and to support the development and implementation of sustained and intensive high-quality professional development activities in the core academic subjects; and helping to ensure that teachers, and, where appropriate, administrators, other staff, pupil services personnel, and parents, have access to professional development. The program requires that a minimum of 56% of the funds be devoted to professional development in mathematics and science.

- **Title VI Innovative Education Program Strategies** is to support local education reform efforts which are consistent with and support statewide reform efforts under Goals 2000; Educate America Act; support state and local efforts to accomplish the National Education Goals; provide funding to enable state and local educational agencies to implement promising educational reform programs; provide a continuing source of innovation and an educational improvement, including support for library services and instructional and media materials; and meet the special educational needs of at-risk and high-cost students.
- The goal of the **Class-Size Reduction** initiative is to help schools improve student achievement by adding additional, highly qualified teachers to the workforce to ensure that class size – particularly in the early grades – is reduced to no more than 18 children per class. States will allocate 100 percent of the funds they receive to school districts to pay for salaries and provide other benefits for additional teachers to reduce class size in the early grades. Of these funds, school district will use at least 82 percent for recruiting, hiring, and training new teachers. In addition, they may use no more than three percent for local administration and no more than 15 percent to pay the costs of such activities as professional development and testing of teachers for academic content knowledge and to meet State certification requirements.
- **Bilingual/ESOL Program** – the English to Speakers of Other Languages program fulfills the school district's obligation to develop and implement an alternative program which teaches language minority students English, provides them parity of access to instruction, and moves them into the regular educational program within a reasonable length of time. The goal of this program is to develop students' academic and conversational proficiency in English so that they can effectively participate in the educational program conducted exclusively in English. It employs the use of two languages, one of which is English, an instruction to the extent necessary for students to function effectively in the content classes. Currently the English to Speaker of Other Languages Program is implemented in 32 schools, serving 2154 students, pre K-12, who represent 66 countries and speak 46 home languages other than English.
- **Adult education** provides instructional offerings in basic academic and life-long coping skills that will enable the adult student to continue an education. Students in the adult education program must be 16 years of age or older, must not be enrolled in the K-12 system, and must have less than a high school education. Project Open Door, Project Independence, and classes in English as a second language in addition to basic education classes and pre-GED classes assist the adult in the ability to function more productively and responsibly in society.

STUDENT ENROLLMENT

During the period 1977/78 through 2000/01, public school enrollment has shown a changing trend. In 1977/78, the first negative growth in recent history was experienced and the trend has generally continued through 2000/01. The following table lists the enrollment, average daily membership and average daily attendance since 1977/78.

School Year	Student Enrollment	Student Enrollment Data		
		Increase/ <Decrease>	Average Daily Membership	Average Daily Attendance
1977/78	69,627	<799>	67,914.4	61,519.2
1978/79	67,069	<2,558>	65,533.2	59,165.4
1979/80	63,216	<3,853>	62,415.0	54,973.0
1980/81	61,594	<1,622>	60,092.0	54,268.0
1981/82	59,522	<2,072>	58,334.0	53,015.0
1982/83	56,951	<2,571>	55,514.0	51,589.8
1983/84	55,715	<1,236>	54,394.0	51,501.9
1984/85	56,698	983	55,714.0	52,199.9
1985/86	56,841	143	55,874.0	52,441.0
1986/87	57,686	845	56,577.0	53,292.0
1987/88	57,856	170	56,735.8	53,209.7
1988/89	58,234	378	57,040.0	53,076.0
1989/90	57,479	<755>	56,590.7	52,482.4
1990/91	57,085	<394>	56,971.0	53,682.0
1991/92	57,252	<167>	55,592.9	56,195.0
1992/93	56,657	<595>	55,241.0	49,042.0
1993/94	55,475	<1,182>	54,638.3	53,489.3
1994/95	56,137	662	55,022.8	52,984.8
1995/96	55,008	<1,129>	52,008.0	48,960.0
1996/97	54,576	<432>	52,024.0	48,960.0
1997/98	54,587	11	52,031.6	49,128.3
1998/99	53,124	<1,463>	49,471.6	44,125.0
1999/00	51,371	<1,753>	48,973.7	43,680.9
2000/01	50,325	<1,046>	49,844.5	46,490.8

The school system has a tremendous financial impact on the community. It has in excess of 7,400 employees and an annual payroll in excess of \$171 million making it the second largest public employer in the parish. It also spends annually \$40+ million on goods and services, and \$10 million for repairs and renovations. This money is spent primarily in local businesses.

Jefferson Parish is the second most populated parish in Louisiana with the population showing a slight increase in 2001. Per capita income in Jefferson continues to be higher than the majority of Louisiana's parishes and the state as a whole.

In this time of economic uncertainty, particularly in states heavily dependent on the oil and gas industry, as is Louisiana, Jefferson Parish is an example of a sound, financially secure local government. The enviable position in which the Parish finds itself, surrounded by parishes and cities in financial turmoil, was not achieved accidentally.

Jefferson Parish has a great deal to offer potential employers. It is located west of the City of New Orleans and is a wonderful collection of contrasts and similarities offering visitors and residents alike a kaleidoscopic view of a unique and fascinating region. It combines the vibrancy of New Orleans, the colorful intensity of Cajun country, and the serenity of peaceful bayous.

Future job growth in Jefferson Parish is expected to be concentrated most heavily in the service industry, especially professional services such as law, medicine, accounting, engineering and financial services. The oil and gas industry has shown considerable growth particularly on the Harvey Canal located on the West Bank of the Mississippi River. While Jefferson Parish offers all of the business amenities and services which commercial establishments look for, it also affords its residents a high quality of live--

with good schools, low crime rates and plenty of recreational activities. The LaSalle Tract, located on Airline Drive is home to the training facility of the New Orleans Saints and Zephyr Stadium, a minor league baseball park, home to the AAA semi-professional Zephyrs. The Tract has become a magnet for family recreational activities and 47 acres are currently being developed into a nature preserve with walking trails, an amphitheater, a performing arts center and a multi-purpose building.

In addition, the parish offers some of the finest medical care in the nation with world-renowned institutions staffed by pioneering physicians. The two parish-owned hospitals and six privately owned institutions provide a full range of services including acute care as well as specialized services such as oncology, high-risk maternity, chemical dependency, burn care and others.

Jefferson Parish is well on its way to becoming the future business and commercial hub of the Gulf South, but it has not forgotten its rich history nor neglected its abundant natural and scenic resources. It is a community where quality of life and progress go hand-in-hand. In an attempt to shed the label "bedroom community" which is so often applied to suburban areas on the perimeters of large cities, Jefferson has moved progressively forward with major office, shopping and industrial development complexes in the Parish.

There are no local personal or corporate income taxes in Jefferson Parish. Furthermore, there are no state ad valorem (property) taxes, and local property taxes are among the lowest in the nation.

For the tourist, Jefferson Parish is a popular home base from which to explore the fascinating environs of South Louisiana. Its modern, first class accommodations are competitively priced and offer a quiet, safe and affordable environment in which to enjoy the quaint charm and *joie de vivre* of the surrounding parishes. Jefferson is home to the Jean Lafitte National Park and the Bayou Segnette State Park, both of which are very popular with residents and tourists alike. While catering to family tourists, Jefferson parish has an extensive collection of fine restaurants, many specializing in Creole and Cajun cuisine. Residents and tourists alike participate in the lively parades and celebration of the Mardi Gras season throughout Jefferson Parish.

Jefferson Parish encompasses some 359 square miles of land, from Lake Pontchartrain in the north and to the Gulf of Mexico in the south. It straddles the Mississippi River which is 2,200 feet wide in the area with a bank side depth of 30 to 60 feet and a midstream depth, which attains 180 feet. The river is a great asset to the entire New Orleans Metropolitan area. It is the source of the drinking water supply. Approximately 310 billion gallons flow daily through Jefferson Parish, approximately the amount consumed daily in the continental United States. Water rates are among the lowest in the nation. The climate permits year-round, outdoor activity for business as well as pleasure. It can be described as semi-tropical with the surrounding water modifying the temperature and decreasing the range between extremes.

Ten institutions of higher learning are located in the New Orleans area and are easily accessible to Jefferson Parish residents. In addition, there are two theological institutions and several business, trade and technical schools that prepare students for various occupations.

Jefferson Parish continued to move forward on many fronts in the year 2000. The Southeast Louisiana Flood Control Project that began in 1998 is well underway with over \$200 million in drainage and pump station improvements to take place over the next four years. Improvements to the Courthouse Complex in Gretna began in early 1999 with groundbreaking for an addition to the existing jail complex that would become operational in 2001. In addition, a Fifth Circuit Court of Appeals Building, whose construction began in 1999, will be ready for occupancy in 2001. A new building for the District Attorney was started in 2000. Plans for the Gretna Courthouse Complex include a high rise parking garage and a new administrative building as well. Renovations are planned for the present Courthouse annex which will

house all divisions of the 24th Judicial District Court, and the Second Parish Court will occupy the old Sheriff's Administration Building after its' refurbishing.

The Alario Center, a 75,000 square foot amateur sports complex,

Has exceeded projections since its completion. It is located on the West Bank on the Edge of Bayou Segnette State Park, a 600 acre state park and wetland area and during 2000 accommodated regional, national and international amateur sporting events, as well as conferences, conventions, trade shows, Mardi Gras functions, and graduation ceremonies.

The Board of the Jefferson Parish Public School System, in 1998, established a long-range planning/redesign committee composed of various civic, and business organization representatives as well as school board personnel and meet monthly to develop a strategic plan. The plan adopted by the Committee, Community and Board, is now in its implementation phase. This committee, along with the Education Planning Committee (E.P.C.), plays a major role in deciding those programs and expenditures that are contained in the general operations fund budget as well as determine whether or not new revenues are needed and if so for what purpose(s).

FINANCIAL INFORMATION

Accounting System and Budgetary Control

In developing and evaluating the School System's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concepts of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the School System's internal accounting controls adequately safeguard assets and provided reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at a detailed level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors.

The school system emphasizes decentralized budgeting in order to enhance the ability of principals to serve as effective and efficient instructional leaders. In fiscal year 1987 the School Board gave principals, with input from subject coordinators, teachers, students and parents, the authority to spend the allocated financial resources to best meet the needs of their unique student groups. To accomplish this end, the School Board adopted a set of guidelines consistent with applicable State law. This system allows each school to determine its needs, establish budgets, and spend their financial resources according to their own timetable or reserve the funds for future years' needs. The vehicle for these actions is the Student Activity Fund. All monies due a school are deposited directly into each school's activity account at the beginning of each school year. The principal, using School Board adopted guidelines, operates his/her school according to his/her individually tailored educational plan. A major advantage of this system is that it gives principals direct control over resources vital to achieving educational success and in so doing makes it easier to assess accountability for goal achievement.

General Governmental Functions

Revenues for Governmental Fund Types which include General, Special Revenue, Debt Service, and Capital Projects Funds total \$336,544,515 in 2000/2001, an increase of 0.5 percent over 1999/2000. Sales taxes produced 42.5 percent of total revenues compared to 41.7 percent last year, and State Equalization produced 37.5 percent of total revenues compared to 35.4 percent last year. The amounts of revenues from various sources is shown in the following tabulation.

	Amount	Percent of Total	Increase (Decrease) from 2000	% Change
Sales taxes	\$ 142,993,465	42.5 %	\$ 3,325,502	2.38 %
Ad valorem taxes	22,579,160	6.7 %	(27,870)	(0.12)%
Tuition from patrons	468,807	0.1 %	(161,947)	(25.68)%
Other local (including interest)	11,409,533	3.4 %	(1,466,788)	(11.39)%
State sources	130,552,400	38.8 %	(2,334,048)	(1.76)%
Federal sources	<u>28,541,150</u>	8.5 %	<u>2,253,824</u>	8.57 %
Total revenues	<u>\$336,544,515</u>	<u>100.0 %</u>	<u>\$ 1,588,673</u>	<u>\$ 0.47</u>

Expenditures for Governmental Fund Types totaled \$346,256,445 in 2000/2001, a net decrease of \$1,220,196 or .4 percent from 1999/2000. The primary component for the decrease was a decrease of \$3,474,303 or 17.7 percent in capital outlay.

	Amount	Percent of Total	Increase (Decrease) from 2000	% Change
Instruction	\$ 196,157,065	56.7 %	\$ 946,928	0.49 %
Supporting services	103,831,878	30.0 %	1,194,185	1.16 %
Non-instruction	4,042,993	1.2 %	180,296	4.67 %
Capital Outlay	16,164,940	4.7 %	(3,474,303)	(17.69)%
Debt Service:				
Principal retirement	13,188,207	3.8 %	217,616	1.68 %
Interest and fiscal change	<u>12,871,362</u>	3.7 %	<u>(284,918)</u>	(2.17)%
Total expenditures	<u>\$346,256,445</u>	<u>100.0 %</u>	<u>\$ (1,220,196)</u>	<u>0.35 %</u>

The total fund balance for all Governmental Fund Types was \$78,741,350 at year-end, a decrease of \$13,107,463 due mainly to capital projects expenditures in 2000/2001. There were no new bond issues in fiscal year 2000/2001.

At June 30, 2001 the General Fund had a fund surplus of \$2,386,921 on the budgetary basis.

Debt Administration

The ratio of net bonded debt to assessed value and the amount of bonded debt per capita are useful indicators of the School System's debt position to management, citizens, and investors. These data for the School System as of June 30, 2001, were as follows:

	Amount	Ratio of Debt to Assessed Value	Net Debt Per Capita
Net General Bonded Debt	\$17,572,991	0.66%	\$39

Proprietary Fund Type

The Enterprise-School Lunch Fund is used to account for the operations of the School System's cafeterias and other food facilities. The School System attempts to operate the lunch fund on a self sufficient basis, however the general fund provided a \$2,376,848 transfer out in order to fund the two year accumulated deficit of the School Lunch Enterprise Fund. This \$2.4 million transfer accounts for a large portion of the \$2 million variance reported in Operating Transfers Out as compared to budget.

Cash Management

During the year, the School System invested directly in instruments issued by the United States Government or its agencies created by an act of Congress, or in repurchase agreements backed by such instruments. The total amount of interest earned for the year ended June 30, 2001 was \$4,727,976. This was distributed as follows:

General Fund	\$ 889,129
Debt Service Fund	1,470,770
Capital Projects Fund	2,344,599
Enterprise Fund	<u>23,478</u>
Total	<u>\$4,727,976</u>

General Fixed Assets

The fixed assets of the School System are used in the performance of the overall educational function. As of June 30, 2001, the general fixed assets of the School System amounted to \$323,443,527. This amount represents the original cost and estimates of original cost of the assets and is considerably less than their current replacement value.

Risk Management

The School System maintains a limited risk program for worker's compensation insurance. As part of this program, resources are being accumulated in the General Fund to meet potential losses. In addition, various risk control techniques including an employee safety program and pre-employment physicals have been implemented to minimize accident-related losses. Risk financing is accomplished through the purchase of various insurance policies from commercial insurers.

OTHER INFORMATION

Independent Audit

State law and School System policy require an annual audit of the books of account and financial records of the School System by independent certified public accountants selected by the School Board. The School System has complied with this requirement, and the independent auditors' report is included in this report.

Awards


The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting, and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School System for its comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. This was the 11th consecutive year that the School System has received these prestigious awards. In order to be awarded these Certificates, the School System published an easily readable and efficiently organized comprehensive annual financial report. Such a report satisfied both generally accepted accounting principles and applicable legal requirements.

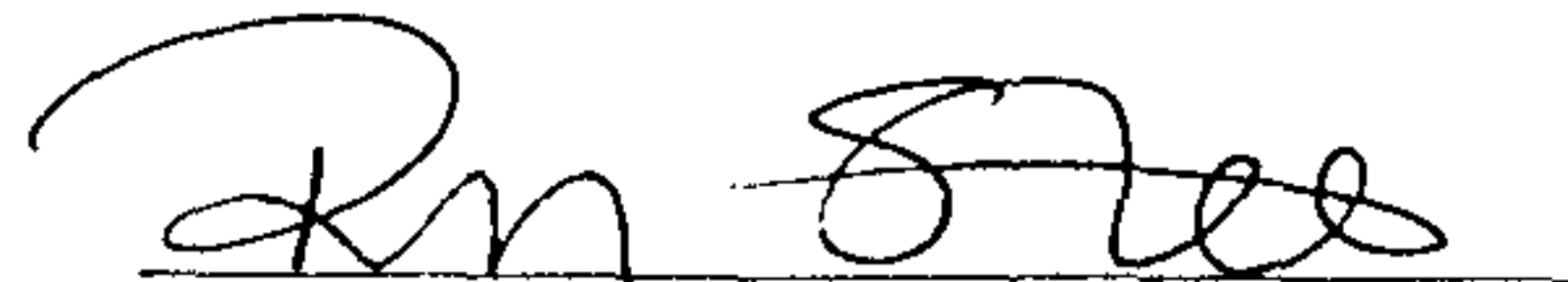
The Certificates are valid for a period of one year only. The School System believes that this current comprehensive annual financial report continues to meet both the Certificate programs' requirements and will be submitted to ASBO and GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance and Accounting Activity of the Business Services Division. We would like to express our appreciation to all members of the division who assisted and contributed to its preparation.

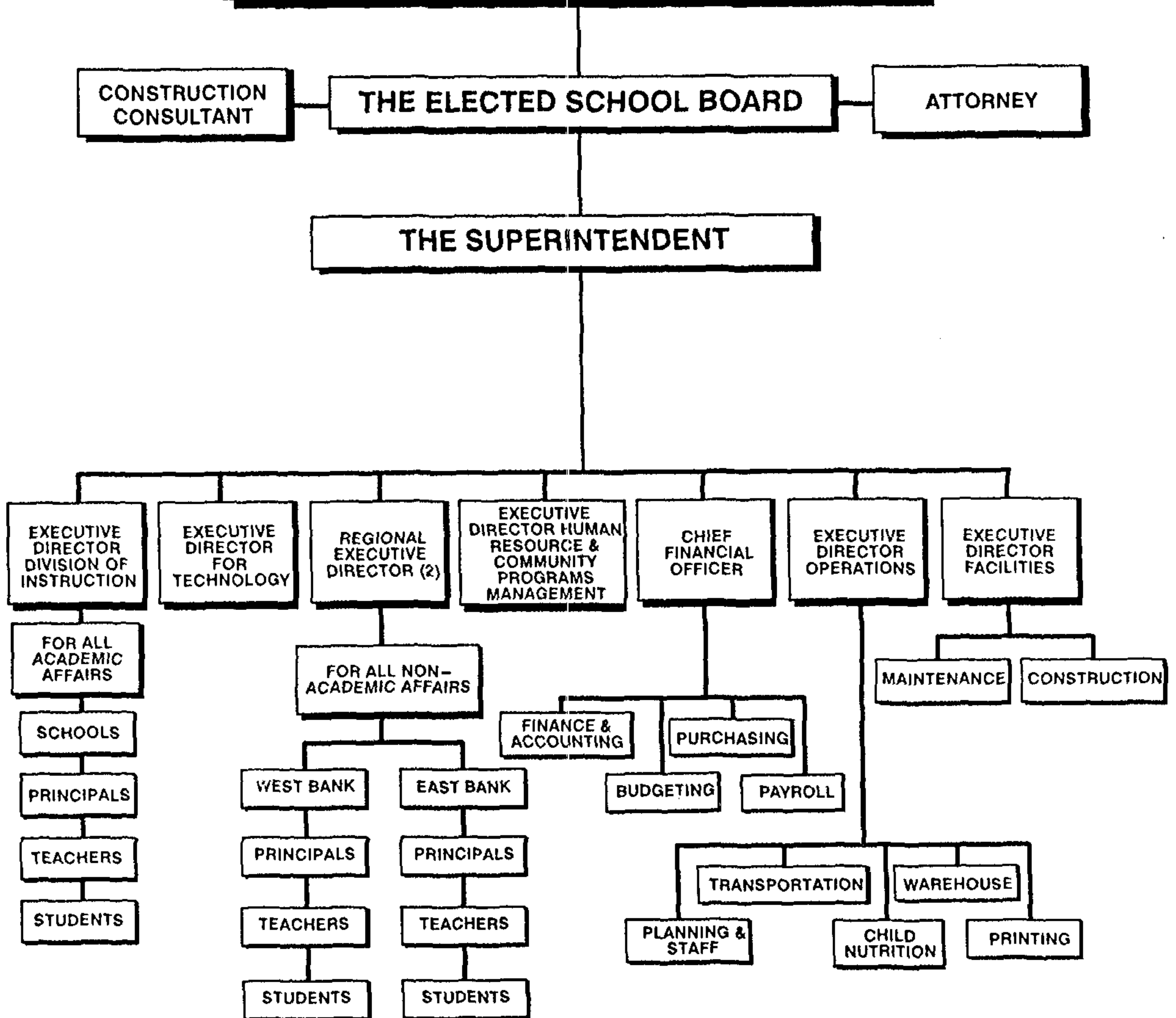
We also wish to thank the members of the School Board for their continued consideration and support, and for planning and conducting the financial operations of the School System in a responsible and progressive manner.



Elton M. Lagasse
Superintendent

Raylyn Stevens
Chief Financial Officer

THE PEOPLE OF JEFFERSON PARISH



SCHOOL BOARD

Name	Length of Service	Term Expires	Occupation
Chris Roberts, Member, District 1	3 years	December, 2002	Businessman
Barry Bordelon, Member, District 2	13 years	December, 2002	Marketing Representative
Ray St. Pierre Member, District 3	3 years	December, 2002	Retired High School Administrator
Julie Quinn, Member, District 4	1/2 year	December, 2002	Attorney
Karen M. Barnes, Member, District 5	3 years	December, 2002	Reservist
Martin Marino, President, District 6	20 years	December, 2002	Retired School Principal
Libby Moran, Member, District 7	7 years	December, 2002	Teacher/ Restaurateur
Mrs. Judy Colgan Member, District 8	1 year	December, 2002	Social/Political Activist
Gene Katsanis, Member, District 9	7 years	December, 2002	Businessman

ADMINISTRATIVE OFFICIALS

Name	Position	Length of Service
Elton Lagasse	Superintendent	40 years
Raylyn Stevens	Chief Financial Officer	6 years
Dr. Diane Roussel	Executive Director, Instruction	27 years
Paul Emenes	Executive Director, East Bank Region	50 years
George Hebert	Executive Director, West Bank Region	34 years
Ronald Ceruti	Executive Director, Personnel Relations	31 years
Dr. Leigh Barton	Executive Director, Technology	29 years
Al Robichaux	Executive Director, Operations	33 years
David Taylor	Executive Director, Facilities	1/2 year



CHRIS ROBERTS
President, District 1



ELTON M. LAGASSE
Superintendent



LIBBY L. MORAN
Vice-President, District 7



BARRY BORDELON
District 2



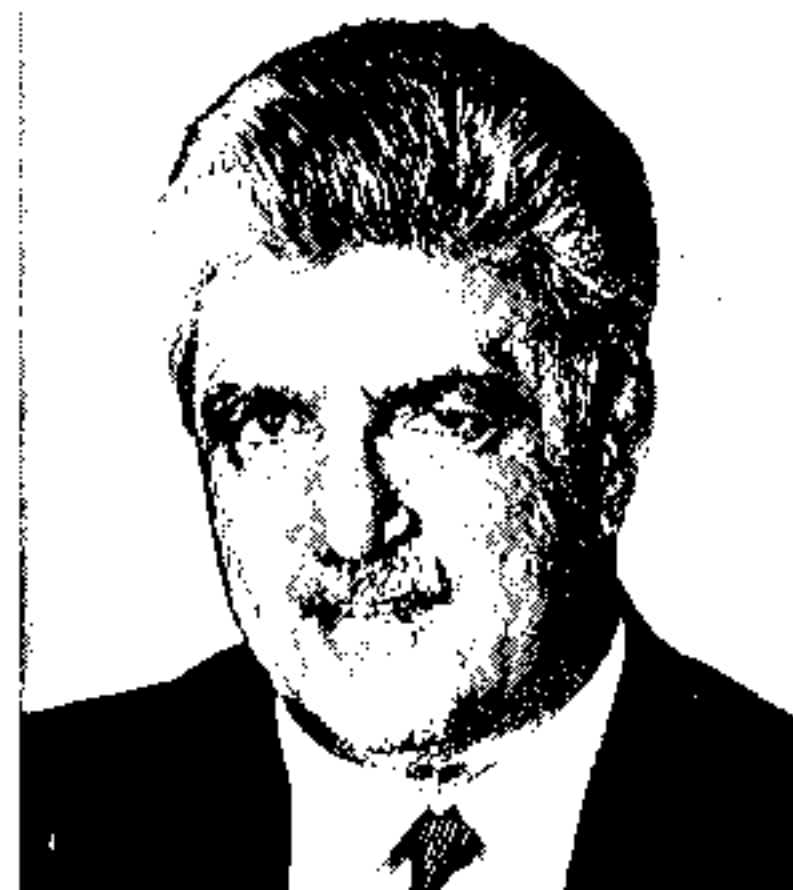
RAY ST. PIERRE
District 3



Julie Quinn
District 4



KAREN M. BARNES
District 5



MARTIN B. MARINO
District 6



JUDY M. COLGAN
District 8



GENE KATSANIS
District 9

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

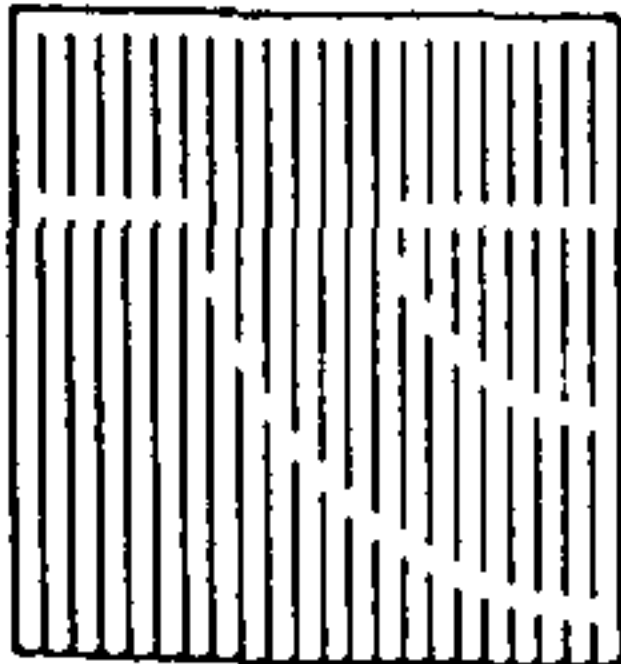
For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2000

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

Linda White
President

Don + Karen
Executive Director



The Government Finance Officers Association
of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Raylyn Stevens
Chief Financial Officer

Jefferson Parish Public School System, Louisiana

The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Date

April 23, 2001

FINANCIAL SECTION

701 Poydras Street
Suite 3700
New Orleans, Louisiana 70139
(504) 581-2727

3501 N. Causeway Boulevard
Suite 810
Metairie, Louisiana 70002
(504) 837-9116

1027 Whitney Avenue
Gretna, Louisiana 70056
(504) 368-2501

INDEPENDENT AUDITORS' REPORT

Members of the School Board of
Jefferson Parish, Louisiana:

We have audited the accompanying general purpose financial statements of the Jefferson Parish Public School System as of June 30, 2001 and for the year then ended, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the Jefferson Parish Public School System's management. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson Parish Public School System as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Jefferson Parish Public School System. This additional information is the responsibility of the Jefferson Parish Public School System's management. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 19, 2001 on our consideration of the Jefferson Parish Public School System's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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.

The statistical data listed in the foregoing table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Jefferson Parish Public School System. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, accordingly, we express no opinion on it.

Deloitte & Touche LLP Deloué & Company Hanford M Harrison

October 19, 2001

General Purpose Financial Statements

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT JUNE 30, 2001

ASSETS AND OTHER DEBITS	Governmental Fund Types				Proprietary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Enterprise- School Lunch
ASSETS:					
Cash and investments (Notes 2 and 13)	\$ 4,000,000	\$ 6,311,525	\$25,494,056	\$38,982,062	\$ 356,208
Receivables:					
Sales and use tax (Note 5)	22,065,585				
Property tax (Note 4)	110,929				
Accounts	2,195,947	710,191			5,303
Interest receivable	12,574		8,079		
Due from other funds (Note 8)	13,291,513	1,999,893	10,891,489	5,121,821	194
Due from other governmental units	197,789	9,635,488			1,533,446
Inventories					711,173
Prepaid items (principally insurance)	2,400,957				
Land, buildings and equipment, net (Notes 3 and 13)					385,134
OTHER DEBITS:					
Amount available in Debt Service Funds (Note 6)					
Amount to be provided for retirement of general long term bonds					
Amount to be provided for compensated absences					
Amount to be provided for claims and judgments					
TOTAL ASSETS AND OTHER DEBITS	<u>\$44,275,294</u>	<u>\$18,657,097</u>	<u>\$36,393,624</u>	<u>\$44,103,883</u>	<u>\$2,991,458</u>

The notes to financial statements are an integral part of this statement.

EXHIBIT A-1
Page 1 of 2

Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Governmental Component Unit The Jefferson Community Charter School	Totals Reporting Entity (Memorandum Only)
	General Fixed Assets	Long Term Debt			
Agency					
\$4,090,942			\$ 79,234,793	\$ 64,430	\$ 79,299,223
			22,065,585		22,065,585
			110,929		110,929
			2,911,441		2,911,441
			20,653		20,653
			31,304,910		31,304,910
			11,366,723		11,366,723
			711,173		711,173
			2,400,957		2,400,957
	\$323,443,527		323,828,661	162,201	323,990,862
		\$ 34,978,503	34,978,503		34,978,503
		114,286,469	114,286,469		114,286,469
		41,849,409	41,849,409		41,849,409
		750,000	750,000		750,000
<u>\$4,090,942</u>	<u>\$323,443,527</u>	<u>\$191,864,381</u>	<u>\$665,820,206</u>	<u>\$ 226,631</u>	<u>\$666,046,837</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT JUNE 30, 2001

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Enterprise - School Lunch
LIABILITIES:					
Accounts payable	\$ 3,866,880	\$ 719,056		\$ 462,419	\$ 77,840
Retainages payable				86,740	
Accrued liabilities:					
Salaries, wages, payroll taxes and retirement contributions	27,433,289				
Claims and judgments (Notes 6 and 10)	194,544				
Compensated absences (Note 6)					492,276
Workers' compensation claims (Note 10)	1,819,663				
Due to other funds (Note 8)	5,257,350	13,240,873	\$ 1,415,121	9,473,477	1,916,265
Due to student groups, schools and others					
Due to other governmental units		18,845			
Deferred revenue		700,291			460,803
Bonds payable (Note 6)					
Total liabilities	<u>38,571,726</u>	<u>14,679,065</u>	<u>1,415,121</u>	<u>10,022,636</u>	<u>2,947,184</u>
EQUITY AND OTHER CREDITS:					
Investment in general fixed assets (Notes 3 and 13)					44,274
Retained earnings					
Fund balance (Note 11):					
Reserved	5,717,604		34,978,503	6,166,063	
Unreserved:					
Designated				27,915,184	
Undesignated (deficit)	<u>(14,036)</u>	<u>3,978,032</u>			
Total equity and other credits	<u>5,703,568</u>	<u>3,978,032</u>	<u>34,978,503</u>	<u>34,081,247</u>	<u>44,274</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$44,275,294</u>	<u>\$18,657,097</u>	<u>\$36,393,624</u>	<u>\$44,103,883</u>	<u>\$2,991,458</u>

The notes to financial statements are an integral part of this statement.

Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Governmental Component Unit The Jefferson Community Charter School	Totals Reporting Entity (Memorandum Only)
	General Fixed Assets	Long Term Debt			
Agency					
			\$ 5,126,195		\$ 5,126,195
			86,740		86,740
			27,433,289		27,433,289
		\$ 750,000	944,544		944,544
		41,849,409	42,341,685		42,341,685
			1,819,663		1,819,663
\$ 1,824			31,304,910		31,304,910
4,089,118			4,089,118		4,089,118
			18,845		18,845
			1,161,094		1,161,094
		149,264,972	149,264,972		149,264,972
4,090,942		191,864,381	263,591,055		263,591,055
	\$ 323,443,527		323,443,527 44,274	\$ 162,201	323,605,728 44,274
			46,862,170		46,862,170
			27,915,184		27,915,184
			3,963,996	64,430	4,028,426
	323,443,527		402,229,151	226,631	402,455,782
\$4,090,942	\$323,443,527	\$191,864,381	\$665,820,206	\$226,631	\$666,046,837

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT YEAR ENDED JUNE 30, 2001

	<u>Governmental</u>	
	<u>General</u>	<u>Special Revenue</u>
REVENUES:		
Local sources:		
Property taxes	\$ 22,546,150	
Sales and use taxes	118,074,764	
Tuition and other	468,807	\$ 4,343,105
Interest income	889,129	
Other (Note 13)	2,162,054	
State sources	127,126,614	3,425,786
Federal sources	1,588,470	26,952,680
Total revenues	<u>272,855,988</u>	<u>34,721,571</u>
EXPENDITURES:		
Current:		
Instruction	176,164,373	19,992,692
Supporting services	94,083,997	9,747,830
Non-instruction	12,501	4,030,492
Capital outlay		
Debt service:		
Principal retirement		
Interest and fiscal charges		
Total expenditures	<u>270,260,871</u>	<u>33,771,014</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,595,117</u>	<u>950,557</u>
OTHER FINANCING SOURCES (USES):		
Operating transfers in (Note 8)	500,088	37,651
Operating transfers out (Note 8):		
Special transfer to fund accumulated deficit in the School Lunch Enterprise Fund	(2,376,848)	
Other operating transfers	(3,606,336)	(500,088)
Operating transfers to component unit (Note 8)	(450,000)	
Operating transfers from primary government (Note 8)		
Total other financing sources (uses) - net	<u>(5,933,096)</u>	<u>(462,437)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(3,337,979)</u>	<u>488,120</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>9,041,547</u>	<u>3,489,912</u>
FUND BALANCES AT END OF YEAR	<u>\$ 5,703,568</u>	<u>\$ 3,978,032</u>

The notes to financial statements are an integral part of this statement.

EXHIBIT A-2

Fund Types		Totals Primary Government (Memorandum Only)	Governmental Component Unit The Jefferson Community Charter School	Totals Reporting Entity (Memorandum Only)
Debt Service	Capital Projects			
\$ 33,010		\$ 22,579,160		\$ 22,579,160
12,123,000	\$ 12,795,701	142,993,465		142,993,465
		4,811,912		4,811,912
1,470,770	2,344,599	4,704,498	\$ 19,482	4,723,980
	199,876	2,361,930	75,058	2,436,988
		130,552,400		130,552,400
		28,541,150		28,541,150
<u>13,626,780</u>	<u>15,340,176</u>	<u>336,544,515</u>	<u>94,540</u>	<u>336,639,055</u>
		196,157,065	318,451	196,475,516
51		103,831,878	267,642	104,099,520
		4,042,993	33,505	4,076,498
	16,164,940	16,164,940		16,164,940
13,188,207		13,188,207		13,188,207
12,871,362		12,871,362		12,871,362
<u>26,059,620</u>	<u>16,164,940</u>	<u>346,256,445</u>	<u>619,598</u>	<u>346,876,043</u>
<u>(12,432,840)</u>	<u>(824,764)</u>	<u>(9,711,930)</u>	<u>(525,058)</u>	<u>(10,236,988)</u>
14,269,359		14,807,098		14,807,098
		(2,376,848)		(2,376,848)
(1,412,861)	(9,856,498)	(15,375,783)		(15,375,783)
		(450,000)		(450,000)
			450,000	450,000
<u>12,856,498</u>	<u>(9,856,498)</u>	<u>(3,395,533)</u>	<u>450,000</u>	<u>(2,945,533)</u>
423,658	(10,681,262)	(13,107,463)	(75,058)	(13,182,521)
34,554,845	44,762,509	91,848,813	139,488	91,988,301
<u>\$ 34,978,503</u>	<u>\$ 34,081,247</u>	<u>\$ 78,741,350</u>	<u>\$ 64,430</u>	<u>\$ 78,805,780</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES YEAR ENDED JUNE 30, 2001

	General Fund		
	Actual on Budgetary Basis	Revised Budget	Variance- Favorable (Unfavorable)
REVENUES:			
Local sources:			
Property taxes	\$ 22,546,150	\$ 23,187,347	\$ (641,197)
Sales and use taxes	118,074,764	117,964,301	110,463
Tuition and other	468,807	847,200	(378,393)
Interest income	889,129	900,000	(10,871)
Other	2,162,054	2,675,000	(512,946)
State sources	127,126,614	126,588,095	538,519
Federal sources	1,588,470	1,071,000	517,470
Total revenues	<u>272,855,988</u>	<u>273,232,943</u>	<u>(376,955)</u>
EXPENDITURES:			
Instruction	175,907,099	175,516,003	(391,096)
Supporting services	94,133,976	94,005,101	(128,875)
Non-instruction	<u>(994)</u>	<u>319,618</u>	<u>320,612</u>
Total expenditures	<u>270,040,081</u>	<u>269,840,722</u>	<u>(199,359)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>2,815,907</u>	<u>3,392,221</u>	<u>(576,314)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	500,088		500,088
Operating transfers out	(5,983,184)	(4,018,685)	(1,964,499)
Operating transfers to component unit	<u>(450,000)</u>	<u>(450,000)</u>	
Total other financing uses - net	<u>(5,933,096)</u>	<u>(4,468,685)</u>	<u>(1,464,411)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(3,117,189)	<u>\$ (1,076,464)</u>	<u>\$ (2,040,725)</u>
ENCUMBRANCES OUTSTANDING AT YEAR END	3,316,647		
PRIOR YEAR ENCUMBRANCES EXPENDED IN CURRENT YEAR	(3,537,437)		
FUND BALANCES AT BEGINNING OF YEAR (GAAP BASIS)	<u>9,041,547</u>		
FUND BALANCES AT END OF YEAR (GAAP BASIS)	<u>\$ 5,703,568</u>		

The notes to financial statements are an integral part of this statement.

EXHIBIT A-3

Budgeted Special Revenue Funds		
Actual on Budgetary Basis	Revised Budget	Variance- Favorable (Unfavorable)
 \$3,551,502	 \$3,377,275	 \$ 174,227
 430,010	 389,444	 40,566
<u>938,562</u>	<u>592,507</u>	<u>346,055</u>
 <u>4,920,074</u>	 <u>4,359,226</u>	 <u>560,848</u>
 1,576,249	 1,890,621	 314,372
800,046	476,258	(323,788)
<u>2,242,471</u>	<u>1,992,347</u>	<u>(250,124)</u>
 <u>4,618,766</u>	 <u>4,359,226</u>	 <u>(259,540)</u>
 <u>301,308</u>	 <u> </u>	 <u>301,308</u>
 <u> </u>	 <u> </u>	 <u> </u>
 <u> </u>	 <u> </u>	 <u> </u>
 301,308		 301,308
 <u>1,930,363</u>	 <u>1,930,363</u>	 <u> </u>
 <u>\$2,231,671</u>	 <u>\$1,930,363</u>	 <u>\$ 301,308</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**EXHIBIT A-4****STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND TYPE - SCHOOL LUNCH ENTERPRISE FUND
YEAR ENDED JUNE 30, 2001**

OPERATING REVENUE -

Food service sales

\$ 2,360,721**OPERATING EXPENSES:**

Salaries and related benefits

8,249,004

Food costs

6,263,120

Material and supplies

741,637

Contractual services

230,967

Depreciation

271,616

Miscellaneous

22,360

Printing

22,408

Repairs and maintenance

424,274

Travel

6,321

Utilities

600,029

Total

16,831,736**OPERATING LOSS**(14,471,015)**NONOPERATING REVENUES:**

Interest income

23,478

Federal grants in aid:

Donated commodities

1,157,506

School lunch and breakfast program

12,517,442

Total

13,698,426**NET LOSS BEFORE OPERATING TRANSFERS**

(772,589)

OPERATING TRANSFERS FROM GENERAL FUND2,945,533**NET INCOME**

2,172,944

RETAINED DEFICIT AT BEGINNING OF YEAR(2,128,670)**RETAINED EARNINGS AT END OF YEAR**\$ 44,274

The notes to financial statements are an integral part of this statement.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**EXHIBIT A-5****STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
SCHOOL LUNCH ENTERPRISE FUND
YEAR ENDED JUNE 30, 2001**

**RECONCILIATION OF OPERATING LOSS TO NET CASH
USED IN OPERATING ACTIVITIES:**

Operating loss	\$(14,471,015)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	271,616
Donated commodities used	1,157,506
Change in assets and liabilities:	
Decrease in accounts receivable	12,458
Decrease in inventories	143,952
Increase in accounts payable	40,886
Decrease in compensated absences	(21,782)
Decrease in deferred revenue	<u>(155,089)</u>
Net cash used in operating activities	<u>(13,021,468)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Federal grants in aid	12,517,442
Repayment of advances from other funds	(2,241,863)
Operating transfers in	<u>2,945,533</u>
Net cash provided by noncapital financing activities	<u>13,221,112</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING
ACTIVITIES -**

Acquisition of capital assets	<u>(66,402)</u>
-------------------------------	-----------------

CASH FLOWS FROM INVESTING ACTIVITIES -

Investment income received	<u>23,478</u>
----------------------------	---------------

NET INCREASE IN CASH AND CASH EQUIVALENTS 156,720

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 199,488

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 356,208

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:

Donated commodities received	\$ 972,235
Donated commodities used	<u>(1,157,506)</u>

Total noncash investing, capital, and financing activities - net \$ (185,271)

The notes to financial statements are an integral part of this statement.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jefferson Parish Public School System (the School System) is an independent special district created for the purpose of providing elementary and secondary education to the citizens of Jefferson Parish, Louisiana. The School System is governed by an elected board comprised of nine members.

The following is a summary of the School System's significant accounting policies which conform to accounting principles generally accepted in the United States of America as applicable to governmental units:

Reporting Entity - In conformity with the Governmental Accounting Standards Board's (GASB) definition of a reporting entity, the general purpose financial statements of the School System include the accounts of all School System operations. As required by accounting principles generally accepted in the United States of America, these financial statements present the School System as the primary government. The School System has one component unit, the Jefferson Community Charter School, which is presented as a discretely presented component unit. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Jefferson Community Charter School is included in the reporting entity because it is fiscally dependent on the School System. However, the Charter School is a legally separate entity and, as such, appoints its own Board. The purpose of the Charter School is to provide an alternative middle school for at-risk public school students in the sixth, seventh and eighth grade who have been expelled from the parish public school system to learn appropriate behavioral and academic skills enabling them to return as functioning, responsible participants in the public middle and high schools. The component unit also has a June 30 year end. Complete financial statements of the component unit can be obtained from the Charter School. The School System and its component unit represent the reporting entity. Additionally, the School System is a legally-separate governmental organization that has a separately elected governing body and does not meet the definition of a component unit.

Basis of Presentation - Fund Accounting - The accounts of the School System are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, retained earnings, revenues and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. The following fund types, account groups and discretely presented component unit are used by the School System:

Governmental Fund Types

General Fund - to account for all financial resources and expenditures except those required to be accounted for in another fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

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

Capital Projects Funds - to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund Type

Enterprise Fund - to account for operations that are financed and operated in a manner similar to private business enterprises, where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The only enterprise fund maintained by the School System is the School Lunch Fund which provides lunch, breakfast and milk to students at reduced prices.

Fiduciary Fund Type

Agency Funds - to account for assets held by the School System as an agent for others.

Account Groups

Account groups are used to establish accounting control and accountability for the School System's General Fixed Assets and General Long-Term Debt. The following are the School System's Account Groups:

General Fixed Assets Account Group - Fixed assets used in Governmental Fund Type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. General fixed assets consist of land, buildings and improvements, and equipment with an expected useful life of more than one year. Purchases of general fixed assets are recorded as expenditures at the time of purchase. Depreciation is not recorded on general fixed assets.

General Long-Term Debt Account Group - Long-term liabilities such as unmatured general obligation indebtedness, claims and judgments and the long-term portion of compensated absences expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

Component Unit

The component unit of the School System, the Jefferson Community Charter School, is accounted for as a Governmental Fund Type.

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

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6 (Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

The modified accrual basis of accounting is followed by the Governmental Fund Types and the Agency Funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on long-term debt, compensated absences, and claims and judgments which are recognized when due, are recorded when the fund liability is incurred, if measurable.

Revenues from local sources consist primarily of sales and use and property taxes. Year-end accrual of sales and use tax revenue is based upon June and prior months' sales and use taxes collected during July and August of the following year. Property tax revenues and revenues received from the State of Louisiana (the State) are recognized as revenue primarily as received except at year end when they are accrued for a period not exceeding 60 days. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Generally, investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.

The Proprietary Fund Type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Fund equity or deficit (i.e., net total assets) consists solely of retained earnings (deficits). The Proprietary Fund Type operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is utilized by the Proprietary Fund Type. Under this basis of accounting, revenues are recognized when earned, and expenses are recognized when the related liability is incurred.

In accordance with Statement No. 20 of the Governmental Accounting Standards Board (GASB), "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," the School System has elected to apply all applicable GASB pronouncements as well as all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Under the provisions of GASB Statement No. 20, the School System has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

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

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6 (Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

Budget and Budgetary Accounting - Under Louisiana Revised Statutes 17:88 and 39:1301-1314, the School Board adopts an annual budget of expected revenues and probable expenditures for the General Fund and two of its Special Revenue Funds (the Adult Education and Community Education Funds). The budgetary process includes public notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget. The budget is adopted and submitted to the State Department of Education no later than September 15 each year. Once a budget is approved by the State Department of Education, it can be amended at the function level at the discretion of management unless it becomes evident that receipts or disbursements will vary substantially from those budgeted. Then, the School Board shall prepare and adopt an amended budget.

Formal budgetary integration is employed as a management control device during the year for the General Fund and two Special Revenue Funds (the Adult Education and Community Education Funds). Budgetary control is exercised at the revenue and expenditure function level. Formal budgetary integration is not employed for the other Special Revenue, Debt Service and Capital Projects funds since their expenditures are controlled by contractual arrangements. Budgeted amounts reflected in the accompanying general purpose financial statements for the General Fund were adopted by the School Board on June 14, 2000, and include amendments, none of a significant nature, made through March 7, 2001. Special Revenue Funds budgets were adopted by the School Board on April 5, 2000. There were no amendments to the Special Revenue Funds budgets for the current fiscal year.

The School System's budget includes encumbered amounts. Accordingly, the budgetary basis expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - General and Special Revenue Fund Types (Exhibit A-3) includes encumbrances and, thus, differs from the expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Discretely Presented Component Unit (Exhibit A-2) by the amount of the net change in encumbrances outstanding at year end. The General Fund represents the only budgeted fund with encumbrances outstanding at year-end. A reconciliation of the differences between actual data and amounts on a budgetary basis is presented below:

	General Fund	Special Revenue Funds
Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$ (3,117,189)	\$ 301,308
To reverse June 30, 2001 encumbrances recorded as expenditures on the budgetary basis	3,316,647	
To add back prior year's encumbrances paid in 2001, but not recorded as expenditures in 2001	(3,537,437)	
To record excess of revenues and other sources over expenditures and other uses for nonbudgeted funds		186,812
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ (3,337,979)</u>	<u>\$ 488,120</u>

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001

Encumbrances - Commitments related to unperformed executory contracts for goods or services, such as outstanding purchase orders and uncompleted contracts, are recorded as encumbrances in order to reserve the applicable portion of the appropriation. Appropriations are valid for the year for which made, and any part of such appropriation which is not encumbered or expended lapses at the end of the year. Encumbrances outstanding at year-end are reported as reservations of fund balances since they represent authority for expenditure in the subsequent year. Encumbrances do not constitute GAAP expenditures or liabilities. As materials are subsequently received, liabilities are recorded, and the related encumbrances are eliminated.

Cash and Cash Equivalents - For purposes of the statement of cash flows, the School Lunch Enterprise Fund considers all short-term, highly liquid investments (including certificates of deposit) with an original maturity of three months or less when purchased to be cash equivalents.

Investments - Investments are stated at fair value.

Inventories - The School Lunch Enterprise Fund inventories consist of purchased food and supplies and commodities received as donations through the federal school lunch program. Such inventories are priced at cost (except for commodities received as donations which are priced using the USDA price list for commodities) on a first-in, first-out basis. Until donated commodities are consumed, they are reported as deferred revenues.

Land, Buildings and Equipment, Net - General fixed assets which are purchased are recorded at cost or estimated historical cost. Actual historical cost data was not available for buildings and improvements acquired or constructed prior to 1975. In those cases where it was not feasible to determine the actual cost, the buildings and improvements were valued at estimated historical cost by using price indices. General fixed assets which are donated are recorded at their fair market value on the date received. No depreciation has been provided on general fixed assets.

Fixed assets associated with the activities of the School Lunch Enterprise Fund are recorded as assets of that fund and consist primarily of equipment. Depreciation of such assets is computed on the straight-line method over their estimated useful life of 12 years. Purchased fixed assets of the School Lunch Enterprise Fund are stated at cost or estimated historical cost, less accumulated depreciation of \$5,167,808 at June 30, 2001.

Compensated Absences

- A. **Vacation and Sick Leave** - All full-time employees of the School System are permitted to accrue sick pay (sick leave). Since fiscal year 1994, vacation days (annual leave) accrued in one fiscal year are to be used by the end of the same fiscal year unless the Administrative Department head determines that the work assignment of the employee requesting the annual leave is such that the employee should not take annual leave during that particular fiscal year, and this carryover is approved by the Superintendent. Annual leave and sick leave may accrue to an unlimited number of days. Upon termination of employment, the employee is paid for all annual leave accrued prior to fiscal year 1994 at 1994 daily salary rates and post 1994 accrued annual leave approved by the Administrative

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001**

Department head at current daily salary rates and accrued sick leave up to a maximum of 25 days at current daily salary rates.

Annual and sick leave liabilities are recorded as an expense when incurred in the School Lunch Enterprise Fund. In the governmental funds, only that portion which is expected to be liquidated within one year with expendable available financial resources is accrued at year-end. The remainder of the accrued liability which is applicable to Governmental Fund Types is reported in the General Long-Term Debt Account Group. Only that portion of accumulated sick leave which is vested is accrued. The amount of accumulated vacation and accumulated vested sick leave at June 30, 2001 applicable to Governmental Fund Types was \$15,913,369, none of which met the condition for accrual in the Governmental Fund Types; hence, the entire amount is reported in the General Long-Term Debt Account Group.

Salary related costs have been accrued as of June 30, 2001 in accordance with GASB Statement No. 16.

- B. *Sabbatical Leave* - Any employee with a teaching certificate is entitled, subject to approval, to one semester of sabbatical leave after three or more years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leaves may be granted for rest and recuperation or professional and cultural improvement and must be approved by the School Board. Unused sabbatical leave may be carried forward to periods subsequent to that in which it is earned. Sabbatical leave does not vest.

Accumulated sabbatical leave for which payment is probable is accrued. That portion of accumulated sabbatical leave which is expected to be liquidated within one year with expendable available financial resources is accrued in the Governmental Fund Types, and the remainder is reported in the General Long-Term Debt Account Group. The amount of accumulated sabbatical leave at June 30, 2001 for which payment is probable was \$25,936,040, none of which met the condition for accrual in the Governmental Fund Types; hence, the entire amount is reported in the General Long-Term Debt Account Group.

Total Columns on Combined Statements - Total columns on the combined general purpose financial statements are captioned "Memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations and cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

New Accounting Pronouncements - The GASB issued GASB Statement No. 34, "Basic Financial Statements," in June 1999. Effective for the School System's fiscal year ended June 30, 2002, GASB Statement No. 34 establishes new financial reporting requirements for both state and local governments. When implemented, it will create new information and will restructure much of the information that the School System has presented in the past. GASB Statement No. 34 requires the School System to significantly change the way it reports its financial data. The most significant change will be that the School System will report financial information for all governmental fund type accounting on government-wide financial statements utilizing the full accrual method of accounting as opposed to the modified accrual method currently used.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001

2. CASH AND INVESTMENTS

Deposits - In accordance with Louisiana Statutes, the School System maintains deposits at those depository banks authorized by the School Board. All such depositories are members of the Federal Reserve System.

Louisiana Statutes require that all School System deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

At June 30, 2001, the carrying amount of the School System's (primary government only) deposits was \$79,234,793, and the bank balance was \$78,938,269. The School System's bank balance is categorized below to give an indication of the level of risk assumed by the School System at year end. Category 1 includes insured or collateralized cash with securities held by the School System or by its agent in the School System's name. Category 2 includes collateralized cash with securities held by the pledging financial institution's trust department or agent in the School System's name. Category 3 includes uncollateralized cash, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the School System's name.

	Category			
	1	2	3	Total
Bank balance:				
Cash	\$78,938,269	\$ -	\$ -	\$78,938,269

Investments

Cash balances of the School System's funds are pooled and invested to the extent possible in authorized investments. Interest earned on invested cash is distributed to the various funds on the basis of the actual invested cash balances of the participating funds during the year.

The School System may invest idle funds as authorized by Louisiana Statutes, as follows:

- (a) Direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States.
- (b) United States government agency obligations, the principal and interest of which are fully guaranteed by the government of the United States, or United States government obligations, the principal and interest of which are guaranteed by any United States government agency.
- (c) Direct security repurchase agreements of any federal book entry only securities enumerated in paragraphs (a) and (b).

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

- (d) Time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the state of Louisiana.
- (e) Mutual or trust funds, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940 and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

The School System had no investments outstanding at June 30, 2001.

The School System's investments are categorized below to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School System or its agent in the School System's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the School System's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the School System's name.

Balances at June 30, 2001 were as follows:

Securities Type	Credit Risk Category			Carrying Value
	1	2	3	
U. S. Government	\$ -	\$ -	\$ -	\$ -
Total deposits				<u>79,234,793</u>
Total cash and investments				<u>\$79,234,793</u>

3. GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance June 30, 2000	Additions	Deletions	Balance June 30, 2001
Land and improvements	\$ 18,183,957	\$ 929,829	\$ -	\$ 19,113,786
Buildings and improvements	251,989,860	7,378,902	-	259,368,762
Equipment	<u>43,379,374</u>	<u>5,367,596</u>	<u>3,785,991</u>	<u>44,960,979</u>
Total	<u>\$313,553,191</u>	<u>\$13,676,327</u>	<u>\$3,785,991</u>	<u>\$323,443,527</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

4. PROPERTY TAX

Property tax is due and becomes an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent thirty days after the due date. The property tax assessment for fiscal 2001 was formally levied on November 15, 2000 based on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its fair market value and other property at 15% of its market value. The tax is billed and collected by the Jefferson Parish Sheriff's Office which receives certain millage for its services. Most of the property taxes are received by the School System in the month of January; however, delinquent property taxes are received throughout the year and are recognized as revenue primarily when they are received except at year-end when they are accrued for a period not exceeding 60 days.

Property tax is assessed for maintenance and operation and debt service for the School System as follows:

	No. of Mills
Maintenance and Operation	9.84
Constitutionally authorized	2.60

5. SALES AND USE TAX

For the year ended June 30, 2001, a 4.75% local sales and use tax was levied and collected within Jefferson Parish by the Jefferson Parish Sheriff's Office of which 2% was received by the School System and dedicated for the following purposes:

- 1/2% (approved May 3, 1966) for teachers' salaries and operating expenses
- 1/2% (approved October 5, 1954 and January 12, 1971) for debt service purposes, for making capital improvements and/or for operating expenses (This represents 50% of a 1% tax levied by the Parish and dedicated to the School System.)
- 1/4% (approved June 28, 1980) for making capital improvements, with authority to issue additional bonds for such purpose, and paying the related maintenance and operating expenses
- 1/4% (approved June 28, 1980) for increasing salaries and fringe benefits of school teachers and other employees
- 1/2% (approved October 3, 1992) for increasing salaries and benefits of school teachers and other employees, establishing guidance programs, payment of debt service, and instruction and maintenance expense

The 1/2% sales tax approved on October 3, 1992 was scheduled to expire in 2002. In July, 2001 the voters of Jefferson Parish voted to extend the tax for an additional ten-year period.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

6. GENERAL LONG-TERM DEBT

The following is a summary of changes in general long-term debt for the year ended June 30, 2001 (in thousands of dollars):

	Compensated Absences	Claims and Judgments	Ad Valorem Tax Bonds	Tax Bonds 1954 Sales Tax Bonds	1980 Sales Tax Bonds	Total
Balance at July 1, 2000	\$ 46,201	\$ 276	\$ 19,995	\$ 109,095	\$ 33,363	\$ 208,930
Bonds retired			(2,105)	(8,435)	(2,648)	(13,188)
Increase (decrease) in long-term portion of liability	<u>(4,352)</u>	<u>474</u>				<u>(3,878)</u>
Balance at June 30, 2001	<u>\$ 41,849</u>	<u>\$ 750</u>	<u>\$ 17,890</u>	<u>\$ 100,660</u>	<u>\$ 30,715</u>	<u>\$ 191,864</u>

Bonded debt at June 30, 2001 is comprised of the following serial bond issues:

Description	Interest Rates	Final Maturity Date	Range of Annual Principal Payments		Amount Outstanding
			From	To	
Ad valorem tax bonds:					
\$22,000,000 issue of 3/1/99	3.70-6.00	3/01/08	\$ 2,105,000	\$ 2,935,000	\$ 17,890,000
Subtotal					<u>17,890,000</u>
1954 1/2¢ sales tax bonds:					
\$70,000,000 refunding issue of 6/17/92	5.20-6.25	2/01/08	6,580,000	9,995,000	58,795,000
\$50,000,000 issue of 1/19/96	4.75-6.00	2/01/15	1,855,000	4,280,000	<u>41,865,000</u>
Subtotal					<u>100,660,000</u>
1980 1/4¢ sales tax bonds:					
\$53,645,264 refunding issue of 7/10/86, Series A	7.70-8.50	3/01/06	1,699,533	5,548,248	10,247,488
\$33,380,000 refunding issue of 4/21/98	4.75-5.10	3/01/10	4,676,738	5,558,609	<u>20,467,484</u>
Subtotal					<u>30,714,972</u>
TOTAL					<u>\$ 149,264,972</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**EXHIBIT A-6
(Continued)****NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001**

Ad Valorem Tax Bonds - The ad valorem tax bonds are payable solely from, and secured by, a special tax imposed and collected annually in excess of all other taxes on all of the property subject to taxation within the territorial limits of School District No. 1 of the Parish of Jefferson, Louisiana. At June 30, 2001, there was \$317,009 available in the debt service funds for servicing of these bonds.

1954 1/2¢ Sales Tax Bonds - The Series 1992 bonds and Series 1996 bonds are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of the one-half percent (1/2%) sales and use tax authorized to be levied in the parish pursuant to elections held therein on October 5, 1954 and January 12, 1971. At June 30, 2001, \$21,380,561 was available in the debt service funds for servicing of these bonds.

1980 1/4¢ Sales Tax Bonds - The Series 1998 and 1986A bonds are payable solely from, and secured by, an irrevocable pledge and dedication of the proceeds of a special one-fourth percent (1/4%) sales and use tax authorized to be levied in the parish pursuant to an election held therein on June 28, 1980. At June 30, 2001, \$13,280,933 was available in the debt service funds for servicing of these bonds.

The annual debt service requirements (including interest of \$80,780,211) to amortize all of the School System's outstanding bonds as of June 30, 2001 are as follows:

Year Ending June 30,	Ad Valorem Tax Bonds	1954 Sales Tax Bonds	1980 Sales Tax Bonds	Total
2002	\$ 2,929,223	\$ 14,763,443	\$ 8,330,000	\$ 26,022,666
2003	2,931,729	14,763,560	8,330,000	26,025,289
2004	2,956,074	14,768,675	8,340,000	26,064,749
2005	2,983,924	14,770,162	8,340,000	26,094,086
2006	3,009,669	14,777,925	8,340,000	26,127,594
2007-2011	6,083,937	42,531,613	33,379,999	81,995,549
2011-2015	-	17,715,250	-	17,715,250
Total	<u>\$ 20,894,556</u>	<u>\$ 134,090,628</u>	<u>\$ 75,059,999</u>	<u>\$ 230,045,183</u>

There are a number of limitations and restrictions contained in the various bond indentures. As of June 30, 2001, the School System was in compliance with all significant limitations and restrictions.

Certain outstanding Sales Tax Bonds of the School System have been defeased in prior years by placing the proceeds of refunding bonds into irrevocable escrow accounts held and managed by bank trustees and invested in U. S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay all future debt service requirements of the old bonds. Accordingly, the escrow accounts and the liability for the defeased bonds are not included in the School System's financial statements.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

The defeased bonds outstanding at June 30, 2001 are as follows:

1954 1/2¢ Sales Tax Bonds:	
\$11,800,000 Series 1982C	\$ 1,500,000
\$32,250,000 Series 1983AB	3,090,000
\$15,000,000 Series 1983D	14,910,000
\$64,625,000 Series 1986A	<u>57,185,000</u>
	<u>76,685,000</u>
1980 1/4¢ Sales Tax Bonds:	
\$53,645,264 Series 1986A	<u>5,677,672</u>
TOTAL	<u>\$82,362,672</u>

7. INDIVIDUAL FUND DISCLOSURES

Excess of Expenditures Over Appropriations

Formal budgetary appropriations are adopted for the General Fund and two Special Revenue Funds (Adult Education and Community Education). Expenditures are budgeted at the function level, which is the level at which expenditures may not legally exceed appropriations. During fiscal year 2001, the General Fund expenditures for instruction and supporting services exceeded appropriations by \$391,096 and \$128,875, respectively. Additionally, during fiscal year 2001, the Adult Education Fund expenditures for supporting services exceeded appropriations by \$128,612; however, total revenues for the Adult Education Fund exceeded these amounts budgeted by \$117,860. The Community Education Fund expenditures for supporting services and non-instruction services exceeded appropriations by \$195,176 and \$250,124, respectively; however, total revenues for the Community Education Fund exceeded those amounts budgeted by \$442,988.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

8. INTERFUND RECEIVABLES AND PAYABLES

Individual fund interfund receivables and payables as of June 30, 2001 were as follows:

Fund	Interfund Receivables	Interfund Payables
General	\$ 13,291,513	\$ 5,257,350
Special Revenue:		
Elementary and Secondary Education Act of 1965 (Title I)	282,176	4,933,548
Elementary and Secondary Education Act of 1965 (Title III)	9,309	283,392
Elementary and Secondary Education Act of 1965 (Title VII)	25,785	56,477
Individuals with Disabilities Education Act of 1990 - Part B	496,522	1,700,843
Vocational Education	2,248	547,826
Job Training Partnership Act	3,739	87,358
Education for Economic Security Act Title II		116,365
Refugee and Entrant Assistance		25,449
Class Size Reduction	66,587	797,703
Indian Education Act		9,512
Drug Free Schools and Communities	5,298	523,702
Emergency Immigration Act	2,506	79,184
Title XIX School Nurse	1,074	70,747
Childcare and Development Block Grant	3,002	381,721
Adult Education		313,507
Community Education	982,442	
State Programs	111,205	3,313,539
Total	1,999,893	13,240,873
Debt Service:		
Ad Valorem Tax Bond Sinking	5,151	
1954 1/2¢ Sales Tax Bond Sinking	6,142,164	2,060
1954 1/2¢ Sales Tax Bond Reserve		915,420
1980 1/4¢ Sales Tax Bond Sinking	4,744,174	
1980 1/4¢ Sales Tax Bond Reserve		497,641
Total	10,891,489	1,415,121
Capital Projects:		
Capital	603,005	
Sales Tax	4,518,816	9,473,477
Total	5,121,821	9,473,477
Proprietary Fund Type	194	1,916,265
Agency		1,824
TOTAL	\$ 31,304,910	\$ 31,304,910

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**EXHIBIT A-6
(Continued)****NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001**

Operating Transfers by Fund Type - Primary Government

A summary of operating transfers by fund type for the year ended June 30, 2001 is as follows:

Transfers To or From	Operating Transfers In	Operating Transfers Out
<u>General Fund</u>		
Special Revenue Funds	\$ 500,088	\$ 37,651
Debt Service Funds		3,000,000
School Lunch Enterprise Fund - Special Transfer		2,376,848
School Lunch Enterprise Fund - Regular Transfer		568,685
Total	<u>500,088</u>	<u>5,983,184</u>
<u>Special Revenue Funds</u>		
General Fund	<u>37,651</u>	<u>500,088</u>
<u>Debt Service Funds</u>		
General Fund	3,000,000	
Debt Service Funds	1,412,861	1,412,861
Capital Projects Funds	<u>9,856,498</u>	
Total	<u>14,269,359</u>	<u>1,412,861</u>
<u>Capital Projects Funds</u>		
Debt Service Funds		<u>9,856,498</u>
<u>School Lunch Enterprise Fund</u>		
General Fund	<u>2,945,533</u>	<u>-</u>
TOTAL OPERATING TRANSFERS	<u>\$ 17,752,631</u>	<u>\$ 17,752,631</u>

During the year ended June 30, 2001, the Board authorized a special transfer from the General Fund of approximately \$2.38 million to fund the accumulated deficit in the School Lunch Enterprise Fund which amounted to \$2.13 million at June 30, 2000.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

Primary Government/Component Unit Operating Transfers

Operating transfers between the primary government and its component unit at June 30, 2001 were as follows:

	Operating Transfers In	Operating Transfers Out
<u>General Fund/Primary Government</u>		
Component Unit: The Jefferson Community Charter School		\$ 450,000
<u>Component Unit</u>		
General Fund/Primary Government	\$ 450,000	_____
TOTAL PRIMARY GOVERNMENT/COMPONENT UNIT OPERATING TRANSFERS	<u>\$ 450,000</u>	<u>\$ 450,000</u>

9. RETIREMENT PLANS

Substantially all employees of the School System are required by State law to belong to retirement plans administered by the Teachers' Retirement System (TRS) or the School Employees' Retirement System (SERS), both of which are administered on a statewide basis. Each plan issues a separate financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing or calling the plan.

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

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804-4516
(225) 924-6484

Disclosures relating to these plans follow:

A. TEACHERS' RETIREMENT SYSTEM

1. *Plan Description* - All teachers, administrators, and school lunch employees of the School System are covered by defined benefit contributory pension plans administered and controlled by a separate Board of Trustees. The Board of Trustees administers plans which are cost-sharing multiple-employer public employee retirement systems.

All teachers, administrators, and school lunch employees are eligible to participate in the TRS plans. Teachers and administrators belong to the Teachers' Regular Plan, and school lunch employees belong to the Teachers' Plan B plan. Benefits are established by State statute.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

TRS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at age 60 with 10 years of service or 20 years of service regardless of age for the Teachers' Regular plan members. For the Teachers' Plan B plan members, normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. Retirement benefits are based upon the following formula percentages:

Years of Service	Minimum Age	Teachers' Regular	Teachers' Plan B
10	60	2.0% per year	1.0%-3.0% per year
20	Any age	2.0% per year	1.0%-3.0% per year
25	55	2.5% per year	1.0%-3.0% per year
30	Any age	2.5% per year	1.0%-3.0% per year
20	65	2.5% per year	1.0%-3.0% per year

The percentage formula is applied to the average of the highest three successive annual salaries. The benefit is payable for life with eight available annuity payment plans. The plans also provide various death and disability benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. *Contributions Required and Made* - Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are as follows:

	Employee	Employer
Teachers' Regular	8.00%	14.2%
Teachers' Plan B	5.00%	14.2%

The School System's contributions to TRS for the years ended June 30, 2001, 2000 and 1999 were \$24,843,622, \$25,973,089 and \$27,787,811, respectively, equal to the required contributions for each year.

B. SCHOOL EMPLOYEES' RETIREMENT SYSTEM

1. *Plan Description* - Employees who are not teachers, administrators, or school lunch employees are covered by defined benefit contributory pension plans administered and controlled on a statewide basis by a separate Board of Trustees. The Board of Trustees administers this plan which is a cost-sharing multiple-employer public employee retirement system.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001

All employees, other than teachers, administrators, and school lunch employees, are eligible to participate in the SERS. Benefits are established by State statute.

SERS provides retirement benefits as well as death and disability benefits. Death and disability benefits vest after 5 years of credited service. Normal retirement is at any age with 30 or more years of creditable service, at age 55 with at least 25 years of creditable service, and at age 60 with at least 10 years of creditable service. The maximum retirement and disability benefit is an amount equal to 2 1/2% of the average compensation for the three highest consecutive years of credited service, multiplied by the number of years of service, plus a supplementary allowance of \$2.00 per month for each month of service. The plan also provides various death benefits, whereby the disabled employee or surviving spouse is entitled to receive amounts determined as defined by the plan.

2. *Contributions Required and Made* - Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are 6.35% for participating employees and 6.00% for the School System.

The School System's contributions to SERS for the years ended June 30, 2001, 2000 and 1999 were \$-0-, \$-0- and \$614,597, respectively, equal to the required contributions for each year.

Due to the passage of House Bill 2174, the difference between the minimum employer contribution and the actuarially required employer contribution will be determined at the end of each fiscal year. The difference shall accumulate in an Employer Credit Account and earn interest at the actuarial rate of return earned by the Louisiana School Employees' Retirement System (LSERS). In previous fiscal years, the minimum employer contribution for LSERS has been greater than the LSERS actuarially required employer contribution; therefore, an employer credit currently exists. Based on this employer credit from previous years, the School System was not required to remit employer contributions to LSERS for the 2000/2001 fiscal year.

10. COMMITMENTS AND CONTINGENCIES

Claims and Judgments - The insurance companies which insured the School System for workers' compensation and bus driver accidents during the two years ended December 31, 1981 and for general liability and automobile/bus driver accidents during the two years ended April 30, 1992 subsequently went bankrupt. As a result, the School System became liable for the outstanding claims which were being paid by the insurance companies on behalf of the School System. Total outstanding claims and judgments, including the claims discussed above, approximated \$944,544 at June 30, 2001, \$750,000 of which is reported in the General Long-Term Debt Account Group and \$194,544 of which is reported in the General Fund.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**EXHIBIT A-6
(Continued)****NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001**

Changes in the claims payable liability for the years ended June 30, 2001 and 2000 were as follows:

	2001	2000
Claims payable, beginning of year	\$ 470,438	\$ 446,140
Add: Changes in estimates	474,106	24,298
Deduct: Claims payments	<u>-</u>	<u>-</u>
Claims payable, end of year	<u>\$ 944,544</u>	<u>\$ 470,438</u>

Workers' Compensation Claims - Effective May 1, 1989, the School System adopted a self-insured workers' compensation plan administered by a service agent. Under the plan, the School System is self-insured for each individual claim during a calendar year up to \$200,000 with commercial insurance for claims in excess of that amount. The School System has determined, through an analysis of historical experience, the adequacy of the liability necessary to cover all losses and claims, both incurred and reported and incurred but not reported (IBNR), under its workers' compensation program. The liability is recorded in the General Fund at June 30, 2001.

Changes in the workers' compensation claims payable liability for the years ended June 30, 2001 and 2000 were as follows:

	2001	2000
Workers' compensation claims payable, beginning of year	\$ 1,414,138	\$ 876,583
Add: Claims and changes in estimates	925,652	1,200,123
Deduct: Claims payments	<u>(520,127)</u>	<u>(662,568)</u>
Workers' compensation claims payable, end of year	<u>\$ 1,819,663</u>	<u>\$ 1,414,138</u>

Other Risk Management - The School System continues to carry commercial insurance for all other risks of loss, including general liability, automobile, and employee health insurance. There have been no significant changes in these insurance coverage amounts. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Federal and State Programs - Minimum foundation funding received from the State Department of Education is based primarily upon information concerning student enrollment at the School System's schools which is compiled by the School System and supplied to the State Department of Education. Federal funding for the School Lunch Program is based primarily upon the number and types of meals served and on user charges as reported to the United States Department of Agriculture. Federal and State funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

Contingent Liabilities - Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally by federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School System expects such amounts, if any, to be immaterial.

11. RESERVATIONS AND DESIGNATIONS OF FUND BALANCES

Reservations of fund balances are established to indicate that portion of the fund balance which is not appropriable for expenditure or is legally segregated for a specific future use. Designations of fund balances represent tentative plans for financial resource utilization in a future period.

The nature and purpose of the reserves and designations are as follows:

Reserved for Encumbrances - This reserve was established for outstanding purchase orders and other commitments for unperformed contracts for goods and services which the School System intends to honor.

Reserved for Prepaid Items - This reserve was established as an offset against the asset, prepaid items, because it does not constitute an available spendable resource of the General Fund.

Reserved for Debt Service - This reserve represents the amounts reserved for payment of principal and interest maturing in future years.

Reserved for Specific Programs - This reserve represents amounts set aside primarily for in-school suspension programs.

Designated for Capital Additions and Improvements - The proceeds of various bond issues, a portion of the undedicated sales tax revenue designated by the Board, and the interest earned on the investment thereof are designated for capital projects in the Sales Tax Fund of the Capital Projects Fund to the extent that such amount has not been reserved for encumbrances.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

EXHIBIT A-6
(Continued)

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

The reserved and unreserved components of fund balances at June 30, 2001, consist of the following:

	General Fund	Special Revenue	Debt Service	Capital Projects	Total
Reserved for:					
Encumbrances	\$ 3,316,647			\$ 5,110,734	\$ 8,427,381
Prepaid items	2,400,957				2,400,957
Debt service			\$ 34,978,503		34,978,503
Specific programs				1,055,329	1,055,329
Total	<u>5,717,604</u>		<u>34,978,503</u>	<u>6,166,063</u>	<u>46,862,170</u>
Unreserved - designated for:					
Capital additions and improvements				27,915,184	27,915,184
Total				<u>27,915,184</u>	<u>27,915,184</u>
Unreserved - undesignated (deficit)	<u>(14,036)</u>	<u>\$ 3,978,032</u>			<u>3,963,996</u>
Total fund balance	<u>\$ 5,703,568</u>	<u>\$ 3,978,032</u>	<u>\$ 34,978,503</u>	<u>\$ 34,081,247</u>	<u>\$ 78,741,350</u>

On the budgetary basis, the reserved and unreserved components of the General Fund fund balance at June 30, 2001, consist of the following:

Reserved for:	
Encumbrances	\$ 3,316,647
Prepaid items	<u>2,400,957</u>
Total	5,717,604
Unreserved - undesignated deficit	<u>(3,330,683)</u>
Total fund balance on budgetary basis	<u>\$ 2,386,921</u>

12. POSTEMPLOYMENT HEALTH CARE BENEFITS

In accordance with State statutes, the School System provides certain continuing health care benefits for its retired employees. Substantially all of the School System's employees become eligible for these benefits if they reach normal retirement age while working for the School System. Currently, 3,646 retirees are eligible to participate in these benefits. These benefits for retirees are provided through an insurance company whose monthly premiums are paid jointly by the retirees and by the School System. During fiscal year 2001, the School System contributed 75% of the total premium for health care insurance provided to the retirees. The School System recognizes the cost of providing these benefits (the School System's portion of premiums) as an expenditure on a pay-as-you-go basis when the monthly premiums are due. The School System's net cost of providing all health

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**EXHIBIT A-6
(Continued)****NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2001**

care benefits to the approximately 5,000 active and 2,300 retired participating employees amounted to \$19,093,768 for 2001. For 2001, the School System's cost of premiums paid for retirees totaled \$7,752,137.

13. COMPONENT UNIT DISCLOSURES**Cash**

In accordance with Louisiana statutes, the School System maintains deposits at those depository banks authorized by the School Board. All such depositories are members of the Federal Reserve System.

Louisiana statutes require that all School System deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

Bank balances of \$64,135 at June 30, 2001 were insured or collateralized by securities held by the School System or its agent in the School System's name. The carrying amount of the deposits were \$64,430.

General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
Land and improvements	\$ 31,620	\$ -	\$ -	\$ 31,620
Equipment	<u>128,775</u>	<u>1,806</u>	<u>-</u>	<u>130,581</u>
Total	<u>\$ 160,395</u>	<u>\$ 1,806</u>	<u>\$ -</u>	<u>\$ 162,201</u>

Other Revenues

Other revenues of \$75,058 included on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types and Discretely Presented Component Unit (Exhibit A-2) primarily represent donations from the community.

* * * * *

GENERAL FUND

General Fund is the principal operating fund of the School System and receives most of the revenues derived by the School System from local (principally property and sales taxes) and State sources. General Fund expenditures represent the costs of general School System operations and include functional categories of instruction, supporting services and non-instruction. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in another fund.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-1

GENERAL FUND

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

YEAR ENDED JUNE 30, 2001

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
Local sources:			
Property taxes:			
Constitutional	\$ 4,718,483	\$ 4,846,230	\$ (127,747)
Special maintenance	17,827,667	18,341,117	(513,450)
Sheriff's contribution to teachers' retirement	1,647,769	1,600,000	47,769
Sales and use taxes	118,074,764	117,964,301	110,463
Tuition and other	468,807	847,200	(378,393)
Investment income	889,129	900,000	(10,871)
Rent and royalties	133,514	75,000	58,514
Hospitalization	206,540	600,000	(393,460)
Other	174,231	400,000	(225,769)
Total	<u>144,140,904</u>	<u>145,573,848</u>	<u>(1,432,944)</u>
State sources:			
Equalization	119,418,043	119,418,043	
Revenue sharing	2,023,783	2,215,661	(191,878)
Grants in aid	2,331,712	1,145,577	1,186,135
Professional improvement program	2,035,027	2,356,141	(321,114)
Transportation	1,318,049	1,452,673	(134,624)
Total	<u>127,126,614</u>	<u>126,588,095</u>	<u>538,519</u>
Federal sources:			
Recovery of indirect costs	1,077,450	696,000	381,450
Restricted grants in aid:			
Other	511,020	375,000	136,020
Total	<u>1,588,470</u>	<u>1,071,000</u>	<u>517,470</u>
TOTAL REVENUES	<u>\$272,855,988</u>	<u>\$273,232,943</u>	<u>\$ (376,955)</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-2
Page 1 of 3

GENERAL FUND

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS) YEAR ENDED JUNE 30, 2001

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
INSTRUCTION:			
Regular Programs:			
Salaries and benefits	\$ 98,252,204	\$ 98,415,480	\$ 163,276
Materials and supplies	5,548,530	6,390,637	842,107
Equipment	167,790	350,837	183,047
Other	1,244,912	1,371,686	126,774
Total	105,213,436	106,528,640	1,315,204
Special Programs:			
Salaries and benefits	61,538,536	58,904,585	(2,633,951)
Materials and supplies	80,191	161,731	81,540
Equipment	23,253	30,398	7,145
Other	80,525	70,570	(9,955)
Total	61,722,505	59,167,284	(2,555,221)
Vocational Programs:			
Salaries and benefits	4,920,442	5,332,268	411,826
Materials and supplies	56,144	56,482	338
Equipment		2,555	2,555
Other	(590)	868	1,458
Total	4,975,996	5,392,173	416,177
Other Instructional Programs:			
Salaries and benefits	4,018,038	4,260,900	242,862
Materials and supplies	(15,363)	156,422	171,785
Other	(6,423)	2,760	9,183
Total	3,996,252	4,420,082	423,830
Adult Continuing Education Program:			
Salaries and benefits	(1,090)	7,824	8,914
Total	(1,090)	7,824	8,914
Total Instruction	175,907,099	175,516,003	(391,096)
SUPPORTING SERVICES:			
For Students:			
Salaries and benefits	9,575,996	9,573,680	(2,316)
Materials and supplies	1,880	1,500	(380)
Equipment	30,546	32,000	1,454
Other	70,537	70,600	63
Total	9,678,959	9,677,780	(1,179)
For Instructional Staff:			
Salaries and benefits	4,329,027	4,055,550	(273,477)
Materials and supplies	351,375	397,310	45,935
Equipment	(10,555)	17,030	27,585
Other	97,405	143,809	46,404
Total	4,767,252	4,613,699	(153,553)

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-2

Page 2 of 3

GENERAL FUND

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

YEAR ENDED JUNE 30, 2001

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
SUPPORTING SERVICES - continued			
General Administration:			
Salaries and benefits	\$ 1,998,010	\$ 1,321,132	\$ (676,878)
Materials and supplies	22,810	34,458	11,648
Tax collection fees	11,869,907	11,712,785	(157,122)
Other	<u>2,049,963</u>	<u>1,999,920</u>	<u>(50,043)</u>
Total	<u>15,940,690</u>	<u>15,068,295</u>	<u>(872,395)</u>
School Administration:			
Salaries and benefits	19,026,369	17,892,265	(1,134,104)
Materials and supplies	96,288	47,126	(49,162)
Other	<u>973,070</u>	<u>1,353,096</u>	<u>380,026</u>
Total	<u>20,095,727</u>	<u>19,292,487</u>	<u>(803,240)</u>
Business Services:			
Salaries and benefits	1,703,358	1,687,846	(15,512)
Materials and supplies	49,669	62,012	12,343
Equipment	48,480	194,562	146,082
Other	<u>953,014</u>	<u>1,136,015</u>	<u>183,001</u>
Total	<u>2,754,521</u>	<u>3,080,435</u>	<u>325,914</u>
Operations Maintenance Services:			
Salaries and benefits	8,903,764	9,057,787	154,023
Materials and supplies	1,067,084	1,212,769	145,685
Equipment	28,551	30,000	1,449
Utilities	7,068,569	6,683,050	(385,519)
Insurance	862,721	765,000	(97,721)
Other	<u>5,386,693</u>	<u>5,420,181</u>	<u>33,488</u>
Total	<u>23,317,382</u>	<u>23,168,787</u>	<u>(148,595)</u>
Pupil Transportation Services:			
Salaries and benefits	13,561,475	14,501,597	940,122
Materials and supplies	19,540	20,525	985
Equipment	6,975	19,400	12,425
Other	<u>1,183,079</u>	<u>1,335,600</u>	<u>152,521</u>
Total	<u>14,771,069</u>	<u>15,877,122</u>	<u>1,106,053</u>
Central Activity Services:			
Salaries and benefits	2,234,660	2,179,715	(54,945)
Materials and supplies	86,883	121,552	34,669
Equipment	244,051	288,714	44,663
Other	<u>242,782</u>	<u>636,515</u>	<u>393,733</u>
Total	<u>2,808,376</u>	<u>3,226,496</u>	<u>418,120</u>
Total Supporting Services	<u>94,133,976</u>	<u>94,005,101</u>	<u>(128,875)</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-2

Page 3 of 3

GENERAL FUND

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

YEAR ENDED JUNE 30, 2001

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
NON-INSTRUCTION:			
Food Services:			
Salaries and benefits	(1,043)	893	1,936
Supplies		3,725	3,725
Other	49	315,000	314,951
Total	(994)	319,618	320,612
Total Non-Instruction	(994)	319,618	320,612
TOTAL INSTRUCTION, SUPPORTING SERVICES AND NON-INSTRUCTION	<u>\$ 270,040,081</u>	<u>\$ 269,840,722</u>	<u>\$ (199,359)</u>

(Concluded)

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for funds received from other governmental agencies that are legally restricted to expenditure for specified purposes. These funds also account for receipt and expenditure of resources transferred from the General Fund when these funds are inadequate to finance the specified activities. Activities included within these funds are as follows:

ESEA (Title I)

Used to account on a project basis for funds allocated to programs for educationally disadvantaged children (Title I), children of migrant agriculture workers, and for the improvement of student achievement and quality of education (Title 2).

ESEA (Title III)

Used to account on a project basis for funds allocated to programs for development and implementation of comprehensive reform plans to improve the teachings and learning of all children (Project Goals 2000) and to support the development and implementation of systematic technology plans (Technology Literary Challenge).

ESEA (Title VII)

Used to account on a project basis for funds allocated to programs for carrying out bilingual education (Project S.T.A.R.).

IDEA Part B

Used to account on a project basis for funds allocated to programs for children with disabilities under P.L. 101-476.

Vocational Education

Used to account on a project basis for funds allocated to programs for purposes of vocational education, guidance, and counseling.

JTPA

Used to account for funds allocated to programs for providing job training and related assistance to economically disadvantaged individuals and others who face significant employment barriers.

ESEA Title II

Used to account on a project basis for funds allocated to programs for improving the skills of teachers and instruction in mathematics, science, foreign languages and computer science.

Refugee and Entrant Assistance

Used to assist school districts heavily impacted by refugee students that need to provide supplementary services to that particular population and their parents.

Class Size Reduction

Used to help schools improve student learning by hiring additional, highly qualified teachers so that children can attend smaller classes.

Indian Education Act

Used to account on a project basis for funds allocated to programs designed to meet the special educational or culturally related academic needs of Indian children.

Drug Free Schools and Communities

Used to account on a project basis for funds granted by P.L. 99-570 to help implement drug and alcohol abuse prevention and education programs.

Emergency Immigration Act

Used to account on a project basis for funds granted by P.L. 98-511 for programs for immigrant children enrolled in elementary and secondary schools.

Title XIX - School Nurse

Used to account on a project basis for funds allocated to providing schools with nurses.

Child Care and Development Block Grant

Used to account for assistance to low-income families with child care services.

Adult Education

Used to account for continuing education programs designed to assist adults in obtaining their high school diploma equivalency.

Community Education

Used to account for a wide variety of informal leisure learning classes and activities for Jefferson Parish residents.

State Programs

Used to account for miscellaneous State grant programs.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2001

	Elementary and Secondary Education Act of 1965 (Title I)	Elementary and Secondary Education Act of 1965 (Title III)	Federal Programs Elementary and Secondary Education Act of 1965 (Title VII)
ASSETS			
Cash and investments			
Accounts receivable			
Due from other funds	\$ 282,176	\$ 9,309	\$ 25,785
Due from other governmental units	<u>4,651,486</u>	<u>274,083</u>	<u>30,692</u>
TOTAL ASSETS	<u>\$4,933,662</u>	<u>\$283,392</u>	<u>\$56,477</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable			
Due to other funds	\$4,933,548	\$283,392	\$56,477
Due to other governmental units			
Deferred revenue	<u>114</u>	<u> </u>	<u> </u>
Total liabilities	<u>4,933,662</u>	<u>283,392</u>	<u>56,477</u>
FUND BALANCE:			
Unreserved:			
Undesignated	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$4,933,662</u>	<u>\$283,392</u>	<u>\$56,477</u>

Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Job Training Partnership Act	Education for Economic Security Act Title II	Refugee and Entrant Assistance	Class Size Reduction
				\$ 7,540	\$ 263,567
\$ 496,522	\$ 2,248	\$ 3,739			66,587
<u>1,204,321</u>	<u>548,989</u>	<u>95,510</u>	<u>\$ 116,768</u>	<u>17,909</u>	<u>467,549</u>
<u>\$ 1,700,843</u>	<u>\$ 551,237</u>	<u>\$ 99,249</u>	<u>\$ 116,768</u>	<u>\$ 25,449</u>	<u>\$ 797,703</u>
	\$ 2,466				
\$ 1,700,843	547,826	\$ 87,358	\$ 116,365	\$ 25,449	\$ 797,703
	945	11,891			
			403		
<u>1,700,843</u>	<u>551,237</u>	<u>99,249</u>	<u>116,768</u>	<u>25,449</u>	<u>797,703</u>
<u>\$ 1,700,843</u>	<u>\$ 551,237</u>	<u>\$ 99,249</u>	<u>\$ 116,768</u>	<u>\$ 25,449</u>	<u>\$ 797,703</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2001

	Federal Programs		
	Indian Education Act	Drug Free Schools and Communities	Emergency Immigration Act
ASSETS			
Cash and investments		\$ 142,379	\$ 33,464
Accounts receivable			
Due from other funds		5,298	2,506
Due from other governmental units	<u>\$ 9,587</u>	<u>376,098</u>	<u>43,214</u>
TOTAL ASSETS	<u>\$ 9,587</u>	<u>\$ 523,775</u>	<u>\$ 79,184</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable			
Due to other funds	\$ 9,512	\$ 523,702	\$ 79,184
Due to other governmental units			
Deferred revenue	<u>75</u>	<u>73</u>	<u></u>
Total liabilities	<u>9,587</u>	<u>523,775</u>	<u>79,184</u>
FUND BALANCE:			
Unreserved:			
Undesignated	<u></u>	<u></u>	<u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 9,587</u>	<u>\$ 523,775</u>	<u>\$ 79,184</u>

SCHEDULE B-3
Page 2 of 2

Title XIX School Nurse	Child Care and Development Block Grant	Adult Education	Community Education	State Programs	Total
\$ 212,402	\$ 249,169	\$ 387,388	\$ 1,071,704	\$ 3,943,912	\$ 6,311,525
		351,949		358,242	710,191
1,074	3,002		982,452	119,195	1,999,893
<u>51,618</u>	<u>135,559</u>	<u> </u>	<u> </u>	<u>1,612,105</u>	<u>9,635,488</u>
<u>\$ 265,094</u>	<u>\$ 387,730</u>	<u>\$ 739,337</u>	<u>\$ 2,054,156</u>	<u>\$ 6,033,454</u>	<u>\$ 18,657,097</u>
			\$ 248,315	\$ 468,275	\$ 719,056
\$ 70,747	\$ 381,721	\$ 313,507		3,313,539	13,240,873
	6,009				18,845
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>699,626</u>	<u>700,291</u>
<u>70,747</u>	<u>387,730</u>	<u>313,507</u>	<u>248,315</u>	<u>4,481,440</u>	<u>14,679,065</u>
<u>194,347</u>	<u> </u>	<u>425,830</u>	<u>1,805,841</u>	<u>1,552,014</u>	<u>3,978,032</u>
<u>\$ 265,094</u>	<u>\$ 387,730</u>	<u>\$ 739,337</u>	<u>\$ 2,054,156</u>	<u>\$ 6,033,454</u>	<u>\$ 18,657,097</u>

(Concluded)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2001

	Elementary and Secondary Education Act of 1965 (Title I)	Elementary and Secondary Education Act of 1965 (Title III)	Federal Elementary and Secondary Education Act of 1965 (Title VII)
REVENUES:			
Federal sources	\$ 13,858,058	\$ 1,313,175	\$ 135,557
State sources			
Tuition and other			
Total revenues	<u>13,858,058</u>	<u>1,313,175</u>	<u>135,557</u>
EXPENDITURES (All current):			
Instruction:			
Salaries and benefits	6,847,398	145,711	39,825
Supplies	1,378,529	172,542	19,276
Other	1,871,786	373,247	26,371
Total instruction	<u>10,097,713</u>	<u>691,500</u>	<u>85,472</u>
Supporting services:			
Salaries and benefits	2,144,144	425,174	5,229
Supplies	46,191	85,293	276
Other	236,837	75,427	
Total supporting services	<u>2,427,172</u>	<u>585,894</u>	<u>5,505</u>
Non-instruction:			
Community services:			
Salaries and benefits	595,667		38,621
Supplies	3,269		
Other	4,843		
Total community services	<u>603,779</u>		<u>38,621</u>
Other	729,834	37,303	5,959
Total non-instruction	<u>1,333,613</u>	<u>37,303</u>	<u>44,580</u>
Total expenditures	<u>13,858,498</u>	<u>1,314,697</u>	<u>135,557</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(440)</u>	<u>(1,522)</u>	
OTHER FINANCING SOURCES (USES):			
Operating transfers in	440	1,522	
Operating transfers out			
Total other financing sources (uses) - net	<u>440</u>	<u>1,522</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES			
FUND BALANCES AT BEGINNING OF YEAR			
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Programs					
Individuals with Disabilities Education Act of 1990- Part B	Vocational Education	Job Training Partnership Act	Education for Economic Security Act Title II	Refugee and Entrant Assistance	Class Size Reduction
\$ 4,458,932	\$ 898,128	\$ 97,096	\$ 421,465	\$ 48,451	\$ 2,310,266
	1,891				
<u>4,458,932</u>	<u>900,019</u>	<u>97,096</u>	<u>421,465</u>	<u>48,451</u>	<u>2,310,266</u>
405,500		59,668	47,271	29	2,168,006
833,913	105,835	44	40,232		17,127
770,162	506,664		58,499	375	33,616
<u>2,009,575</u>	<u>612,499</u>	<u>59,712</u>	<u>146,002</u>	<u>404</u>	<u>2,218,749</u>
2,204,517	193,582	31,052	250,613	45,296	78,136
11,861		1,547			
38,622	93,963	4,785	2,366		
<u>2,255,000</u>	<u>287,545</u>	<u>37,384</u>	<u>252,979</u>	<u>45,296</u>	<u>78,136</u>
198,194			22,484	2,751	13,381
<u>198,194</u>			<u>22,484</u>	<u>2,751</u>	<u>13,381</u>
<u>4,462,769</u>	<u>900,044</u>	<u>97,096</u>	<u>421,465</u>	<u>48,451</u>	<u>2,310,266</u>
(3,837)	(25)				
3,837	25				
<u>3,837</u>	<u>25</u>				
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2001

	Federal		
	Indian Education Act	Drug Free Schools and Communities	Emergency Immigration Act
REVENUES:			
Federal sources	\$ 21,320	\$ 1,202,968	\$ 167,901
State sources			
Tuition and other			
Total revenues	21,320	1,202,968	167,901
EXPENDITURES (All current):			
Instruction:			
Salaries and benefits	13,002	7,140	26,611
Supplies	1,384	97,855	20,220
Other	6,084	55,006	4,535
Total instruction	20,470	160,001	51,366
Supporting services:			
Salaries and benefits	850	951,300	65,903
Supplies			
Other		6,584	
Total supporting services	850	957,884	65,903
Non-instruction:			
Community services:			
Salaries and benefits		18,489	41,451
Supplies			
Other			
Total community services		18,489	41,451
Other		66,594	9,181
Total non-instruction		85,083	50,632
Total expenditures	21,320	1,202,968	167,901
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES (USES):			
Operating transfers in			
Operating transfers out			
Total other financing sources (uses) - net			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES			
FUND BALANCES AT BEGINNING OF YEAR			
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -

Programs

Title XIX School Nurse	Child Care and Development Block Grant	Adult Education	Community Education	State Programs	Total
\$ 344,879	\$ 406,355	\$ 679,280	\$ 259,282	\$ 329,567	\$ 26,952,680
		430,010		2,995,776	3,425,786
		113,796	3,437,706	789,712	4,343,105
<u>344,879</u>	<u>406,355</u>	<u>1,223,086</u>	<u>3,696,988</u>	<u>4,115,055</u>	<u>34,721,571</u>
	394,301	442,768	137,391	878,941	11,613,562
	11,274	180,902	721,479	560,190	4,160,802
	506	93,709		417,768	4,218,328
	<u>406,081</u>	<u>717,379</u>	<u>858,870</u>	<u>1,856,899</u>	<u>19,992,692</u>
202,066	3,276	385,262	263,180	1,316,118	8,565,698
3,526			4,800	26,393	179,887
41,744		32,680	114,124	355,113	1,002,245
<u>247,336</u>	<u>3,276</u>	<u>417,942</u>	<u>382,104</u>	<u>1,697,624</u>	<u>9,747,830</u>
			2,214,370		2,908,598
			852		4,121
			27,249		32,092
			<u>2,242,471</u>		<u>2,944,811</u>
					1,085,681
			<u>2,242,471</u>		<u>4,030,492</u>
<u>247,336</u>	<u>409,357</u>	<u>1,135,321</u>	<u>3,483,445</u>	<u>3,554,523</u>	<u>33,771,014</u>
<u>97,543</u>	<u>(3,002)</u>	<u>87,765</u>	<u>213,543</u>	<u>560,532</u>	<u>950,557</u>
	3,002			28,825	37,651
				<u>(500,088)</u>	<u>(500,088)</u>
	<u>3,002</u>			<u>(471,263)</u>	<u>(462,437)</u>
97,543		87,765	213,543	89,269	488,120
<u>96,804</u>		<u>338,065</u>	<u>1,592,298</u>	<u>1,462,745</u>	<u>3,489,912</u>
<u>\$ 194,347</u>	<u>\$ -</u>	<u>\$ 425,830</u>	<u>\$ 1,805,841</u>	<u>\$ 1,552,014</u>	<u>\$ 3,978,032</u>

(Concluded)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-5

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - ADULT EDUCATION FUND

YEAR ENDED JUNE 30, 2001

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
REVENUES:			
Federal sources	\$ 679,280	\$ 592,507	\$ 86,773
State sources	430,010	389,444	40,566
Tuition and other	<u>113,796</u>	<u>123,275</u>	<u>(9,479)</u>
Total revenues	<u>1,223,086</u>	<u>1,105,226</u>	<u>117,860</u>
EXPENDITURES:			
Instruction	717,379	815,896	98,517
Supporting	<u>417,942</u>	<u>289,330</u>	<u>(128,612)</u>
Total expenditures	<u>1,135,321</u>	<u>1,105,226</u>	<u>(30,095)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	87,765		87,765
FUND BALANCE AT BEGINNING OF YEAR	<u>338,065</u>	<u>338,065</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 425,830</u>	<u>\$ 338,065</u>	<u>\$ 87,765</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**SCHEDULE B-6****SPECIAL REVENUE FUNDS****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - COMMUNITY EDUCATION FUND
YEAR ENDED JUNE 30, 2001**

	Actual on Budgetary Basis	Revised Budget	Variance - Favorable (Unfavorable)
REVENUES:			
Federal	\$ 259,282		\$ 259,282
Tuition and other	<u>3,437,706</u>	<u>\$3,254,000</u>	<u>183,706</u>
Total revenues	<u>3,696,988</u>	<u>3,254,000</u>	<u>442,988</u>
EXPENDITURES:			
Instruction	858,870	1,074,725	215,855
Supporting	382,104	186,928	(195,176)
Non-instruction	<u>2,242,471</u>	<u>1,992,347</u>	<u>(250,124)</u>
Total expenditures	<u>3,483,445</u>	<u>3,254,000</u>	<u>(229,445)</u>
EXCESS OF REVENUES OVER EXPENDITURES	213,543		213,543
FUND BALANCE AT BEGINNING OF YEAR	<u>1,592,298</u>	<u>1,592,298</u>	<u> </u>
FUND BALANCE AT END OF YEAR	<u>\$1,805,841</u>	<u>\$1,592,298</u>	<u>\$ 213,543</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The School System maintains the following Debt Service Funds:

Ad Valorem Tax Bond Sinking Fund is used to accumulate the proceeds of ad valorem taxes which are specifically dedicated for debt service.

1954 1/2¢ and 1980 1/4¢ Sales Tax Bond Sinking Funds are used to accumulate that portion of the 1954 and 1980 sales and use tax required to meet the debt service requirements. Monthly deposits out of the proceeds of the sales and use tax are required to be made into these funds in an amount which will equal 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date.

1954 1/2¢ and 1980 1/4¢ Sales Tax Bond Reserve Funds are used to accumulate that portion of the 1954 and 1980 sales and use tax which is set aside for the purpose of paying principal and interest on bonds payable. Monthly deposits of sales and use tax proceeds are required to be made into these funds until the required reserve has been established.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

DEBT SERVICE FUNDS COMBINING BALANCE SHEET JUNE 30, 2001

	Ad Valorem Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve
ASSETS			
Cash and investments	\$ 303,779	\$ 10,417	\$ 16,145,460
Interest receivable	8,079		
Due from other funds	<u>5,151</u>	<u>6,142,164</u>	<u></u>
TOTAL ASSETS	<u>\$ 317,009</u>	<u>\$ 6,152,581</u>	<u>\$ 16,145,460</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Due to other funds	<u></u>	<u>\$ 2,060</u>	<u>\$ 915,420</u>
Total liabilities	<u></u>	<u>2,060</u>	<u>915,420</u>
FUND BALANCE:			
Reserved for debt service	<u>\$ 317,009</u>	<u>6,150,521</u>	<u>15,230,040</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 317,009</u>	<u>\$ 6,152,581</u>	<u>\$ 16,145,460</u>

SCHEDULE B-7

1980 1/4¢ Sales Tax Bond Sinking	1980 1/4¢ Sales Tax Bond Reserve	Total
\$ 77,970	\$8,956,430	\$25,494,056
		8,079
<u>4,744,174</u>	<u> </u>	<u>10,891,489</u>
<u>\$4,822,144</u>	<u>\$8,956,430</u>	<u>\$36,393,624</u>
<u> </u>	<u>\$ 497,641</u>	<u>\$ 1,415,121</u>
<u> </u>	<u>497,641</u>	<u>1,415,121</u>
<u>\$4,822,144</u>	<u>8,458,789</u>	<u>34,978,503</u>
<u>\$4,822,144</u>	<u>\$8,956,430</u>	<u>\$36,393,624</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2001

	Ad Valorem Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve
REVENUES:			
Local sources:			
Property taxes	\$ 33,010		
Sales and use taxes		\$ 8,613,000	
Interest income	<u>13,986</u>	<u>21,181</u>	<u>\$ 915,420</u>
Total revenues	<u>46,996</u>	<u>8,634,181</u>	<u>915,420</u>
EXPENDITURES:			
Current supporting services:			
Miscellaneous	<u></u>	<u>30</u>	<u>12</u>
Debt service:			
Principal retirement	2,105,000	8,435,000	
Interest and fiscal charges	<u>850,523</u>	<u>6,339,046</u>	<u></u>
Total expenditures	<u>2,955,523</u>	<u>14,774,076</u>	<u>12</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,908,527)</u>	<u>(6,139,895)</u>	<u>915,408</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	3,000,000	6,139,895	
Operating transfers out	<u></u>	<u></u>	<u>(915,420)</u>
Total other financing sources (uses) - net	<u>3,000,000</u>	<u>6,139,895</u>	<u>(915,420)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	91,473		(12)
FUND BALANCES AT BEGINNING OF YEAR	<u>225,536</u>	<u>6,150,521</u>	<u>15,230,052</u>
FUND BALANCES AT END OF YEAR	<u>\$ 317,009</u>	<u>\$ 6,150,521</u>	<u>\$ 15,230,040</u>

SCHEDULE B-8

1980 1/4¢ Sales Tax Bond Sinking	1980 1/4¢ Sales Tax Bond Reserve	Total
		\$ 33,010
\$ 3,510,000		12,123,000
22,943	\$ 497,240	1,470,770
<u>3,532,943</u>	<u>497,240</u>	<u>13,626,780</u>
9		51
2,648,207		13,188,207
5,681,793		12,871,362
<u>8,330,009</u>		<u>26,059,620</u>
<u>(4,797,066)</u>	<u>497,240</u>	<u>(12,432,840)</u>
5,129,464		14,269,359
	<u>(497,441)</u>	<u>(1,412,861)</u>
<u>5,129,464</u>	<u>(497,441)</u>	<u>12,856,498</u>
332,398	(201)	423,658
<u>4,489,746</u>	<u>8,458,990</u>	<u>34,554,845</u>
<u>\$ 4,822,144</u>	<u>\$ 8,458,789</u>	<u>\$ 34,978,503</u>

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition or construction of major capital facilities. The School System maintains the following Capital Projects Funds:

Capital Fund is used to account for that portion of the undedicated sales tax revenue which is designated by the School Board annually for capital additions and improvements and the proceeds of the 1999 Ad Valorem tax bonds for making capital improvements.

Sales Tax Fund is used to account for the proceeds of the various 1954, 1980 and 1996 sales tax bonds issued from 1981 through 1996 and that portion of the sales tax approved June 28, 1980 (1/4 cent) for making capital improvements.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**SCHEDULE B-9****CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	Capital	Sales Tax	Total
ASSETS			
Cash and investments	\$ 13,568,552	\$ 25,413,510	\$ 38,982,062
Due from other funds	<u>603,005</u>	<u>4,518,816</u>	<u>5,121,821</u>
TOTAL ASSETS	<u>\$ 14,171,557</u>	<u>\$ 29,932,326</u>	<u>\$ 44,103,883</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable	\$ 425,924	\$ 36,495	\$ 462,419
Retainages payable	59,675	27,065	86,740
Due to other funds	<u> </u>	<u>9,473,477</u>	<u>9,473,477</u>
Total liabilities	<u>485,599</u>	<u>9,537,037</u>	<u>10,022,636</u>
FUND BALANCE:			
Reserved for encumbrances	4,470,900	639,834	5,110,734
Reserved for specific programs	1,055,329		1,055,329
Unreserved - designated for capital additions and improvements	<u>8,159,729</u>	<u>19,755,455</u>	<u>27,915,184</u>
Total fund balance	<u>13,685,958</u>	<u>20,395,289</u>	<u>34,081,247</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 14,171,557</u>	<u>\$ 29,932,326</u>	<u>\$ 44,103,883</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-10

CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 2001

	Capital	Sales Tax	Total
REVENUES:			
Local sources:			
Sales and use taxes	\$ 4,000,000	\$ 8,795,701	\$ 12,795,701
Investment income	1,005,774	1,338,825	2,344,599
Other	<u>17,826</u>	<u>182,050</u>	<u>199,876</u>
Total revenues	<u>5,023,600</u>	<u>10,316,576</u>	<u>15,340,176</u>
EXPENDITURES:			
Construction costs	12,452,495	1,644,173	14,096,668
Architect fees	1,287,552	135,544	1,423,096
Administrative and other	<u>419,066</u>	<u>226,110</u>	<u>645,176</u>
Total expenditures	<u>14,159,113</u>	<u>2,005,827</u>	<u>16,164,940</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(9,135,513)</u>	<u>8,310,749</u>	<u>(824,764)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in			-
Operating transfers out	<u> </u>	<u>(9,856,498)</u>	<u>(9,856,498)</u>
Total other financing sources (uses) - net	<u> </u>	<u>(9,856,498)</u>	<u>(9,856,498)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(9,135,513)	(1,545,749)	(10,681,262)
FUND BALANCES AT BEGINNING OF YEAR	<u>22,821,471</u>	<u>21,941,038</u>	<u>44,762,509</u>
FUND BALANCES AT END OF YEAR	<u>\$ 13,685,958</u>	<u>\$ 20,395,289</u>	<u>\$ 34,081,247</u>

AGENCY FUNDS

Agency Funds are established to account for all monies held by the School System in an agency capacity. Disbursements are made only in accordance with the purpose for which assets are received. Activities included within these funds are as follows:

School and Student Activity Funds

Used to account for revenues and expenditures for individual school purchases and student body activities, including minor fund raising, field trips and special events.

School Picture Fund

Used to account for security deposits received from school photographers.

Stadium Fund

Used to account for funds generated for the operation of the Yenni, Memtsas and Bonnabel Stadiums.

School System Event Fund

Used to account for the receipts and disbursements of employee athletic events.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-11

Page 1 of 2

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
SCHOOL AND STUDENT ACTIVITY FUNDS				
ASSETS:				
Cash and investments	<u>\$ 4,079,316</u>	<u>\$ 9,383,535</u>	<u>\$ 9,424,418</u>	<u>\$ 4,038,433</u>
LIABILITIES:				
Due to student groups	\$ 1,875,457	\$ 839,540	\$ 997,292	\$ 1,717,705
Due to schools	2,203,010	8,526,732	8,409,442	2,320,300
Due to others	<u>849</u>	<u>17,263</u>	<u>17,684</u>	<u>428</u>
TOTAL	<u>\$ 4,079,316</u>	<u>\$ 9,383,535</u>	<u>\$ 9,424,418</u>	<u>\$ 4,038,433</u>
SCHOOL PICTURE FUND				
ASSETS:				
Cash and investments	<u>\$ 41,823</u>	<u>\$ 4,143</u>	<u>\$ 10,824</u>	<u>\$ 35,142</u>
LIABILITIES:				
Due to photographers	\$ 31,823	\$ 2,319	\$ 824	\$ 33,318
Due to other funds	<u>10,000</u>	<u>1,824</u>	<u>10,000</u>	<u>1,824</u>
TOTAL	<u>\$ 41,823</u>	<u>\$ 4,143</u>	<u>\$ 10,824</u>	<u>\$ 35,142</u>
STADIUM FUND				
ASSETS:				
Cash and investments	<u>\$ 14,983</u>	<u>\$ 103,271</u>	<u>\$ 103,506</u>	<u>\$ 14,748</u>
LIABILITIES:				
Due to stadium clubs	<u>\$ 14,983</u>	<u>\$ 103,271</u>	<u>\$ 103,506</u>	<u>\$ 14,748</u>
SCHOOL SYSTEM EVENT FUND				
ASSETS:				
Cash and investments	<u>\$ 2,665</u>	<u>\$ 2,868</u>	<u>\$ 2,914</u>	<u>\$ 2,619</u>
LIABILITIES:				
Due to participants	<u>\$ 2,665</u>	<u>\$ 2,868</u>	<u>\$ 2,914</u>	<u>\$ 2,619</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE B-11

Page 2 of 2

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS

YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Cash and investments	<u>\$4,138,787</u>	<u>\$ 9,493,817</u>	<u>\$ 9,541,662</u>	<u>\$4,090,942</u>
LIABILITIES:				
Due to student groups	\$1,875,457	\$ 839,540	\$ 997,292	\$1,717,705
Due to schools	2,203,010	8,526,732	8,409,442	2,320,300
Due to others	849	17,263	17,684	428
Due to photographers	31,823	2,319	824	33,318
Due to other funds	10,000	1,824	10,000	1,824
Due to stadium clubs	14,983	103,271	103,506	14,748
Due to participants	<u>2,665</u>	<u>2,868</u>	<u>2,914</u>	<u>2,619</u>
TOTAL	<u>\$4,138,787</u>	<u>\$ 9,493,817</u>	<u>\$ 9,541,662</u>	<u>\$4,090,942</u>

GENERAL FIXED ASSET ACCOUNT GROUP

General Fixed Asset Account Group is used to account for fixed assets used in Governmental Fund Type operations, rather than in governmental funds.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**SCHEDULE B-12****GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY
JUNE 30, 2001**

FUNCTION AND ACTIVITY	Land	Buildings	Equipment	Total
INSTRUCTION:				
Kindergarten	\$ 191,351	\$ 1,956,991	\$ 566,650	\$ 2,714,992
Elementary	10,274,410	108,121,723	18,008,227	136,404,360
Middle	5,048,796	76,196,845	8,288,899	89,534,540
High	<u>2,330,280</u>	<u>66,239,137</u>	<u>9,266,466</u>	<u>77,835,883</u>
Total instruction	<u>17,844,837</u>	<u>252,514,696</u>	<u>36,130,242</u>	<u>306,489,775</u>
SUPPORTING SERVICES:				
Administration	<u>1,268,949</u>	<u>6,854,066</u>	<u>8,830,737</u>	<u>16,953,752</u>
TOTAL GENERAL FIXED ASSETS	<u>\$19,113,786</u>	<u>\$259,368,762</u>	<u>\$44,960,979</u>	<u>\$323,443,527</u>

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**SCHEDULE B-13****GENERAL FIXED ASSET ACCOUNT GROUP****SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY****YEAR ENDED JUNE 30, 2001**

FUNCTION AND ACTIVITY	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
INSTRUCTION:				
Kindergarten	\$ 2,580,203	\$ 170,451	\$ 35,662	\$ 2,714,992
Elementary	134,032,577	3,396,090	1,024,307	136,404,360
Middle	86,571,311	3,463,534	500,305	89,534,540
High	<u>75,313,027</u>	<u>3,985,114</u>	<u>1,462,258</u>	<u>77,835,883</u>
Total instruction	<u>298,497,118</u>	<u>11,015,189</u>	<u>3,022,532</u>	<u>306,489,775</u>
SUPPORTING SERVICES:				
Administration	<u>15,056,073</u>	<u>2,661,138</u>	<u>763,459</u>	<u>16,953,752</u>
TOTAL GENERAL FIXED ASSETS	<u>\$313,553,191</u>	<u>\$13,676,327</u>	<u>\$3,785,991</u>	<u>\$323,443,527</u>

OTHER SUPPLEMENTAL INFORMATION

The schedules within this subsection are presented as supplementary information to expand upon the data presented in the other subsections of the Financial Section.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE BS-1

Page 1 of 2

SCHEDULE OF OPERATING AND COMPONENT UNIT TRANSFERS YEAR ENDED JUNE 30, 2001

Transfers To or From		Operating Transfers In	Operating Transfers Out
GENERAL FUND			
Elementary and Secondary Education			
Act of 1965 (Title I)			\$ 440
Vocational Education			25
Childcare and Development Block Grant			3,002
Individuals with Disabilities Education			
Act of 1990 Part B			3,837
Elementary and Secondary Education			
Act of 1965 (Title III)			1,522
State Programs		\$ 500,088	28,825
Ad Valorem Tax Bond Sinking			3,000,000
School Lunch Enterprise Fund			2,945,533
Total		<u>500,088</u>	<u>5,983,184</u>
SPECIAL REVENUE FUNDS			
Elementary and Secondary Education Act			
of 1965 (Title I)	General Fund	440	
Vocational Education	General Fund	25	
Elementary and Secondary Education			
Act of 1965 (Title III)	General Fund	1,522	
Childcare and Development Block Grant	General Fund	3,002	
Individuals with Disabilities Education			
Act of 1990 Part B	General Fund	3,837	
State Programs	General Fund	28,825	500,088
Total		<u>37,651</u>	<u>500,088</u>

(Continued)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

SCHEDULE BS-1

Page 2 of 2

SCHEDULE OF OPERATING AND COMPONENT UNIT TRANSFERS YEAR ENDED JUNE 30, 2001

Transfers To or From		Operating Transfers In	Operating Transfers Out
DEBT SERVICE FUNDS			
Ad Valorem Tax Bond Sinking	General Fund	3,000,000	
1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve	915,420	
1954 1/2¢ Sales Tax Bond Reserve	1954 1/2¢ Sales Tax Bond Sinking		915,420
1954 1/2¢ Sales Tax Bond Sinking	1954 1/2¢ Sales Tax Bond Reserve	497,441	
	Sales Tax Fund	9,856,498	
1980 1/4¢ Sales Tax Bond Reserve	1980 1/4¢ Sales Tax Bond Sinking		497,441
	Total	<u>14,269,359</u>	<u>1,412,861</u>
CAPITAL PROJECTS FUNDS			
Sales Tax Fund	1954 1/2¢ Sales Tax Bond Sinking		<u>9,856,498</u>
SCHOOL LUNCH ENTERPRISE FUND	General Fund	<u>2,945,533</u>	
	TOTAL OPERATING TRANSFERS	<u>\$ 17,752,631</u>	<u>\$ 17,752,631</u>
PRIMARY GOVERNMENT/COMPONENT UNIT OPERATING TRANSFERS		Operating Transfers In	Operating Transfers Out
GENERAL FUND/PRIMARY GOVERNMENT	Component Unit		\$ 450,000
COMPONENT UNIT			
The Jefferson Community Charter School	General Fund	<u>\$ 450,000</u>	
	TOTAL COMPONENT UNIT OPERATING TRANSFERS	<u>\$ 450,000</u>	<u>\$ 450,000</u>

(Concluded)

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**SCHEDULE BS-2****SCHEDULE OF COMPENSATION PAID TO SCHOOL BOARD MEMBERS
YEAR ENDED JUNE 30, 2001**

Board Member	Number of Days Served	Compensation
Karen Barnes	365	\$ 9,600
Barry Bordelon	365	9,600
Gene Katsanis	365	9,600
Martin B. Marino	365	10,100
Libby Moran	365	9,600
Laurie Rolling Hagan	365	9,600
Chris Roberts	365	10,300
Ray St. Pierre	365	9,600
Judy Colgan	365	<u>9,600</u>
TOTAL		<u>\$ 87,600</u>

STATISTICAL SECTION

Statistical Section

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) LAST TEN FISCAL YEARS

Fiscal Year	Instruction	Supporting Services	Non Instruction	Interest(2)	Capital Projects	Debt Service	Total
1992	\$ 161,076,774	\$ 65,783,000	\$ 276,891	\$ 309,835	\$ 2,321,022	\$ 28,884,642	\$ 258,652,164
1993	168,062,402	67,861,345	90,880	193,932	3,474,421	24,866,703	264,549,683
1994 (3)	166,647,301	82,099,917	2,825,569	-	7,587,858	25,589,267	284,749,912
1995	175,123,226	85,776,283	2,635,220	-	10,098,100	102,286,266 (4)	375,919,095
1996	175,752,934	88,532,760	2,730,536	-	11,082,715	24,126,768	302,225,713
1997	176,829,650	88,099,569	2,927,279	-	12,715,760	27,852,599	308,424,857
1998	190,503,938	97,218,622	3,167,512	-	25,262,482	27,489,077	343,641,631
1999	199,604,462	103,847,386	3,103,618	-	19,498,716	25,988,795	352,042,977
2000	195,210,137	102,637,693	3,862,697	-	19,639,243	26,126,871	347,476,641
2001	196,157,065	103,831,878	4,042,993	-	16,164,940	26,059,569	346,256,445

NOTES:

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds.

(2) Includes amounts expended by General Fund only.

(3) In fiscal 1994, the State Department of Education changed its mandated chart of accounts for reporting purposes.

(4) Includes approximately \$70 million of debt retired during fiscal 1996 on a refinancing which originated during fiscal 1992.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 2

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1) LAST TEN FISCAL YEARS

Fiscal Year	Local Taxes (2)	Tuition From Patrons	Other Local Sources	Total Local Sources	State Sources	Federal Sources	Total Revenue
1992	\$ 89,117,342	\$ 777,313	\$ 16,295,920	\$ 106,190,575	\$ 133,071,036	\$ 13,690,622	\$ 252,952,233
1993	104,995,867	908,563	21,512,987	127,417,417	132,559,904	15,163,071	275,140,392
1994	125,391,906	951,302	23,501,810	149,845,018	132,552,584	16,517,516	298,915,118
1995	133,151,019	950,656	50,559,213 (3)	184,660,888	135,186,399	18,195,985	338,043,272
1996	144,309,032	899,635	18,647,725	163,856,392	128,390,952	21,650,552	313,897,896
1997	141,224,287	862,330	14,975,087	157,061,704	130,292,132	20,157,384	307,511,220
1998	150,025,665	668,431	12,441,043	163,135,139	139,704,333	20,960,947	323,800,419
1999	155,743,752	760,113	10,761,654	167,265,519	140,483,130	31,453,281	339,201,930
2000	162,274,993	630,754	12,876,321	175,782,068	132,886,448	26,287,326	334,955,842
2001	165,572,625	468,807	11,409,533	177,450,965	130,552,400	28,541,150	336,544,515

NOTES:

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds.

(2) Includes penalty collections and other judgments.

(3) Includes approximately \$32 million of interest income on a guaranteed investment contract.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections (1)	Percent of Tax Collected	Prior Year Delinquent Tax Collections(2)
1992	\$15,198,544	\$14,724,330	96.88A	\$811,417
1993	17,475,550	16,596,850	94.97A	635,627
1994	16,596,138	15,576,482	93.86A	696,202
1995	16,980,867	15,876,457	93.50A	515,579
1996	18,524,536	17,284,619	93.31A	393,314
1997	19,089,340	17,849,204	93.50A	502,384
1998	20,795,797	19,522,926	93.88A	280,008
1999	21,463,437	19,935,225	92.88A	218,804
2000	22,413,109	21,097,349	94.13A	361,988
2001	22,579,160	21,300,482	94.34A	231,491

NOTES:

- (1) The Jefferson Parish Sheriff's Office is the collecting agent for the School System.
- (2) Includes interest and penalty collections and other judgments.
- (3) Includes uncollected from the current year net of adjustments.

TABLE 3

Total Cash Collections (2)	Percent of Total Collections to Tax Levy	Outstanding Delinquent Taxes (3)	Percent of Delinquent Taxes to Tax Levy
\$ 15,535,747	102.22A	\$ 511,366	3.36A
17,232,477	98.61A	664,738	3.80A
16,272,684	98.05A	405,240	2.44A
16,392,086	96.53A	381,791	2.25A
17,677,933	95.43A	361,151	1.95A
18,351,588	96.14A	336,837	1.76A
19,802,934	95.23A	311,569	1.50A
20,154,029	93.90A	495,587	2.31A
21,459,337	95.74A	315,246	1.41A
21,531,973	94.86A	380,602	1.68A

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

ASSESSED TAXABLE VALUE BY TYPE OF PROPERTY LAST TEN FISCAL YEARS (1)

Fiscal Year	Real Estate		Personal Property		Public Service Corporations	
	Assessed	%	Assessed	%	Assessed	%
1992	\$1,398,391,467	75	\$314,981,901	17	\$150,233,440	8
1993	1,414,993,100	75	322,595,835	17	147,831,850	8
1994	1,402,928,000	75	328,634,000	17	150,954,000	8
1995	1,440,022,891	73	364,135,874	18	171,358,058	9
1996	1,564,855,075	73	438,154,011	20	154,277,510	7
1997	1,595,029,436	72	472,388,103	21	149,245,410	7
1998	1,631,708,266	72	493,452,914	22	145,438,910	6
1999	1,684,119,181	72	519,893,233	22	147,724,350	6
2000	1,921,142,597	73	541,881,164	21	150,637,040	6
2001	1,981,373,517	74	538,255,199	20	157,501,910	6

NOTE:

- (1) The assessed and taxable value for the School System is determined during the School System's fiscal year and is supplied by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10% of its fair market value and other property at 15% of its market value. Taxable valuation for tax levy purposes is net of adjustments identified subsequent to certification.

Source: Jefferson Parish, Louisiana, Grand recapitulation of the assessment roll.

TABLE 4

Total Assessed	%	Homestead Exempt	Taxable Value
\$1,863,606,808	100	\$637,170,252	\$1,226,436,556
1,885,420,785	100	642,492,250	1,242,928,535
1,882,516,000	100	648,005,000	1,234,511,000
1,975,516,823	100	653,914,820	1,321,602,003
2,157,286,596	100	700,028,120	1,457,258,476
2,216,662,949	100	704,683,990	1,511,978,959
2,270,600,090	100	709,415,760	1,561,184,330
2,351,736,764	100	717,916,540	1,633,820,224
2,613,660,801	100	749,726,810	1,863,933,991
2,677,130,626	100	751,619,260	1,925,511,366

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE 5**

**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS**

Fiscal Year	Jefferson Parish Public School System			Jefferson Parish	Parish Other	Total
	Maintenance and Operation	Debt Service	Total			
1992	0.58	0.24	0.82	1.34	0.65	2.81
1993	0.68	0.25	0.93	1.38	0.65	2.96
1994	0.65	0.24	0.89	1.43	0.64	2.96
1995	0.66	0.29	0.95	1.39	0.65	2.99
1996	0.69	0.31	1.00	1.40	0.65	3.05
1997	0.62	0.27	0.89	1.26	0.66	2.81
1998	0.73	0.30	1.03	1.31	0.69	3.03
1999	0.957	0.003	0.96	1.30	0.68	2.94
2000	0.967	0.003	0.97	1.31	0.68	2.96
2001	0.889	0.001	0.89	1.35	0.70	2.94

Source: Jefferson Parish, Louisiana December 31, 2000 CAFR.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value (In Thousands)	Gross Bonded Debt (2)	Debt Service Monies Available (2)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value
1992	\$ 1,863,607	\$28,575,000	\$2,918,031	\$25,656,969	1.38 %
1993	1,885,421	24,158,000	1,949,753	22,208,247	1.18 %
1994	1,882,516	19,925,000	855,950	19,069,050	1.01 %
1995	1,975,517	15,500,000	-	15,500,000	0.78 %
1996	2,157,287	11,275,000	195,948	11,079,052	0.51 %
1997	2,216,663	6,795,000	770,402	6,024,598	0.27 %
1998	2,270,600	2,840,000	2,287,773	552,227	0.00 %
1999	2,351,737	22,050,000	138,807	21,911,193	0.93 %
2000	2,613,661	19,995,000	225,536	19,769,464	0.76 %
2001	2,677,131	17,890,000	317,009	17,572,991	0.66 %

NOTE:

(1) Estimates based on data from Louisiana Tech University, obtained from Jefferson Parish, Louisiana December 31, 2000 CAFR.

(2) Includes only Ad Valorem Tax Bonds.

TABLE 6

Parish Population (1)	Net Bonded Debt Per Capita	Assessed Valuation Per Capita
451,543	57	\$4,127
456,389	49	4,131
457,069	42	4,119
457,481	34	4,318
458,456	24	4,706
455,741	13	4,864
453,160	1	5,011
453,165	48	5,190
454,447	44	5,751
455,466	39	5,878

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE 7****COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2001**

2001 total appraised valuation for school tax purposes (1)		\$2,677,130,626
Debt limit percentage		<u>10 %</u>
Legal debt limit		267,713,063
Total bonded debt	\$ 17,890,000	
Less (plus) - Reserve (deficit) for retirement of bonded debt	<u>317,009</u>	
Net bonded debt applicable to debt limit		<u>17,572,991</u>
Legal debt margin		<u>\$ 250,140,072</u>

NOTE:

(1) The 2001 tax year appraised value is used for fiscal year 2001 tax purposes.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE 8****COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)
JUNE 30, 2001**

	Net Bonded Debt	Percentage Applicable to the System	System Share of Debt
Jefferson Parish Public School System	\$ 17,572,991	100	\$ 17,572,991
Jefferson Parish	70,695,000	100	70,695,000
West Jefferson Levee District	853,000	100	853,000
City of Kenner	<u>1,190,000</u>	100	<u>1,190,000</u>
Total direct and overlapping debt	<u>\$ 90,310,991</u>		<u>\$ 90,310,991</u>
Taxable assessed valuation			\$ 1,863,933,991
Ratio of direct and overlapping debt to taxable assessed valuation			4.85 %
Direct and overlapping debt per capita			\$ 198

NOTE:

- (1) Data for taxing entities other than Jefferson Parish Public School System were supplied by the respective taxing entity.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE 9****RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT (2)
TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS**

Fiscal Year	Principal (2)	Interest and Fiscal Charges (2)	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures
1992	\$4,210,000	\$1,705,907	\$5,915,907	\$258,652,164	2.3 %
1993	4,417,000	1,493,974	5,910,974	264,549,683	2.2 %
1994	4,233,000	1,271,392	5,504,392	284,749,912	1.9 %
1995	4,425,000	1,050,699	5,475,699	375,919,095	1.5 %
1996	4,225,000	823,865	5,048,865	302,225,713	1.7 %
1997	4,480,000	590,480	5,070,480	308,424,857	1.6 %
1998	3,955,000	349,650	4,304,650	343,641,631	1.3 %
1999	2,790,000	129,300	2,919,300	352,042,977	0.8 %
2000	2,055,000	973,823	3,028,823	347,476,641	0.9 %
2001	2,105,000	850,523	2,955,523	346,256,445	0.9 %

NOTE:

(1) Per Table 1.

(2) Includes only Ad Valorem Tax Bonds.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE 10****DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Parish Population (1)	Average Daily Membership (2)	Average Daily Attendance (2)	Percent of Attendance
1992	451,543	55,593	50,701	91.2
1993	456,389	55,241	49,042	88.8
1994	457,069	54,638	53,489	97.9
1995	457,481	55,023	52,984	96.3
1996	458,456	52,008	48,960	94.1
1997	455,741	52,024	48,960	94.1
1998	453,160	52,032	49,128	94.4
1999	453,165	49,472	44,125	89.2
2000	454,447	48,974	43,681	89.2
2001	455,466	49,845	46,491	93.3

NOTES:

(1) Estimates based on data from Louisiana Tech University, obtained from Jefferson Parish, Louisiana December 31, 2000 CAFR.

(2) Source: State Annual Financial and Statistical Report.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

PROPERTY VALUE AND CONSTRUCTION LAST TEN FISCAL YEARS

Fiscal Year	Assessed Property Value	Residential Construction			
		Single Family Units	Value	Multi Family Units	Value
1992	\$1,863,606,808	521	\$31,427,031	0	0
1993	1,885,420,785	593	34,763,428	13	755,284
1994	1,882,516,000	600	35,803,000	160	5,175,000
1995	1,975,516,823	600	39,128,000	23	9,080,000
1996	2,157,286,596	556	35,644,000	348	8,719,000
1997	2,216,662,949	494	32,575,000	211	7,206,000
1998	2,270,600,090	492	30,847,000	24	887,000
1999	2,351,736,764	597	49,594,000	9	1,743,000
2000	2,613,660,801	744	102,514,000	5	3,981,000
2001	2,677,130,626	532	79,519,000	2	1,838,000

Source: Jefferson Parish Assessor's Office, Finance Department, and Department of Inspection and Code Enforcement.

TABLE 11

Commercial Public Buildings and Other Construction Value	Total Permit Valuation
\$ 109,030,212	\$ 140,457,243
68,586,076	104,104,788
92,330,000	133,308,000
118,262,000	166,470,000
150,432,000	194,795,000
118,833,000	158,614,000
106,391,000	138,125,000
157,023,000	208,360,000
188,268,000	294,763,000
192,956,000	274,313,000

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE 12****PRINCIPAL TAXPAYERS**

Name of Taxpayer	Type of Business	2000 Assessed Valuation (Amounts in thousands)	Percent of Total Assessed Valuation
Entergy Services Inc.	Electric Utility	\$ 54,035	2.02 %
BellSouth	Telephone Utility	44,162	1.65
Hibernia National Bank	Financial Institution	21,336	.80
Banc One Management Corp.	Financial Institution	20,513	.77
Avondale Shipyards, Inc.	Shipbuilding	15,536	.58
Louisiana Gas Service	Gas Utility	14,268	.53
Lakeside Shopping Center	Shopping Mall	13,567	.51
Lamarque Ford Inc.	Automotive Dealer	11,715	.44
Whitney National Bank	Financial Institution	11,076	.41
Southwest Airlines Co.	Airline	<u>9,265</u>	<u>.35</u>
		<u>\$215,473</u>	<u>8.06 %</u>

Source: Jefferson Parish Assessor's Office.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

TABLE 13

MISCELLANEOUS INFORMATION

COMPARATIVE AVERAGE COST PER PUPIL:

Year	Total Expenditures(1)	Daily Membership	Cost Per Pupil
1992	\$258,652,164	55,593	\$4,653
1993	264,549,683	55,241	4,789
1994	284,749,912	54,638	5,212
1995	305,844,095 (2)	55,023	5,558
1996	302,225,713	52,008	5,811
1997	308,424,857	52,024	5,929
1998	343,641,631	52,032	6,604
1999	352,042,977	49,472	7,116
2000	347,476,641	48,974	7,095
2001	346,256,445	49,845	6,947

(1) Includes General, Special Revenue, Debt Service and Capital Projects.

(2) Does not include \$70,075,000 debt retired during fiscal 1995 on a refinancing which originated during fiscal 1992.

STATISTICAL INFORMATION BASED ON AVERAGE DAILY MEMBERSHIP:

	2001	2000	1999	1998	1997
Average daily membership	49,845	48,974	49,472	52,032	52,024
State and federal funds	\$ 3,192	\$ 3,250	\$ 3,475	\$ 3,087	\$ 2,891
Local funds received	3,560	3,589	3,381	3,135	3,019
Tax levied	453	458	434	399	370
Outstanding bonds	2,995	3,317	3,546	3,211	3,214

MISCELLANEOUS STATISTICS:

Schools:

Senior High Schools	9
Junior High Schools	5
Middle Schools	11
Elementary	52
Kindergarten	3
Special	4
Career Center	1
	<u>85</u>

Staff:

Total employees	7,492
Teachers	3,922

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JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
INDEPENDENT AUDITORS' REPORTS AND INFORMATION
REQUIRED BY THE SINGLE AUDIT ACT AND
GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED JUNE 30, 2001

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701 Poydras Street
Suite 3700
New Orleans, Louisiana 70139
(504) 581-2727

3501 N. Causeway Boulevard
Suite 810
Metairie, Louisiana 70002
(504) 837-9116

1027 Whitney Avenue
Gretna, Louisiana 70056
(504) 368-2501

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the School Board of
Jefferson Parish, Louisiana

We have audited the financial statements of **Jefferson Parish Public School System** as of and for the year ended June 30, 2001, and have issued our report thereon dated October 19, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether **Jefferson Parish Public School System's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* as follows:

Budgeting of Special Revenue Funds

Louisiana Revised Statutes 39:1305 and 17:88 require the adoption of a comprehensive budget presenting a complete financial plan for the ensuing year for the general fund and each special revenue fund. Within the special revenue fund group, the School System has followed the practice for many years of budgeting the operations of only the Community Education and Adult Education funds. Nearly all of the other special revenue funds represent Federal and State grants which have not been budgeted in advance in the past because revenues are typically realized in amounts equal to expenditures permitted under the grants. Louisiana Revised Statute 39:1311(B) exempts special revenue funds which are expenditure-driven in this manner from the requirement to adopt amended budgets if projected revenues or expenses deviate more than 5% from the adopted budget; however such funds are not exempt from the requirement to prepare a formal budget near the start of each fiscal year. The School System should include budgets for all special revenue funds in the budget process for the fiscal year beginning July 1, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered **Jefferson Parish Public School System'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 over financial reporting that might be material

weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements 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.

This report is intended for the information and use of the **Jefferson Parish Public School System's** Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP Delouze & Company Hanford M Harrison

October 19, 2001

REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

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

Members of the School Board of
Jefferson Parish, Louisiana

We have audited the compliance of **Jefferson Parish Public School System's** 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, 2001. **Jefferson Parish Public School System's** major federal programs are identified in the accompanying Schedule of Expenditures of Federal Awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **Jefferson Parish Public School System's** management. Our responsibility is to express an opinion on **Jefferson Parish Public School System's** compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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 **Jefferson Parish Public School System's** compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on **Jefferson Parish Public School System's** compliance with those requirements.

In our opinion, **Jefferson Parish Public School System** 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, 2001.

Internal Control Over Compliance

The management of **Jefferson Parish Public School System** 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 **Jefferson Parish Public School System'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.

Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of **Jefferson Parish Public School System** as of and for the year ended June 30, 2001 and have issued our report thereon dated October 19, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information of the **Jefferson Parish Public School System's Finance Committee, management, the State of Louisiana Legislative Auditor, federal awarding agencies, state funding agencies and pass-through entities** and is not intended to be and should not be used by anyone other than these specified parties.

Rebowe & Company

October 19, 2001

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 2001

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures
<u>U.S. Department of Education</u>					
Direct Programs:					
Elementary and Secondary Education Act of 1965 - Title VII					
Project Star Bilingual 99-00	84.290U	T29OU950227-99	\$ 210,000	\$ 23,922	\$ 23,922
Access 00-01	84.288S	T288S000204	130,000	111,635	111,635
Indian Education Act (P.L. 100-297) - Title IX					
Indian Education 99-00	84.060A	S060A990968	38,557	571	571
Indian Education 00-01	84.060A	S060A000968	40,879	20,749	20,749
				21,320	21,320
Elementary and Secondary Education Act of 1965, Title III					
I Can Learn 98-99	84.303	R303A980003	7,300,000	230,935	230,935
Safe and Drug Free Schools and Communities Act of 1986, (P.L. 99-570)					
Drugs and Violence	84.184	S184K000133	456,934	181,710	181,710
Total Direct Programs				569,522	569,522
<u>U.S. Department of Education</u>					
Passed-Through State Department of Education:					
Elementary and Secondary Education Act of 1965 - Title I					
Even Start 99-00	84.213C	00-FI-26-1	503,104	82,817	82,817
Even Start Reallocation 99-00	84.213C	99-FI-26-1C	22,672	9,321	9,321
Even Start 00-01	84.213C	01-FI-26	544,104	358,678	358,678
Even Start Supplement 00-01	84.213C	00-FI-26-C	5,590	4,919	4,919
				455,735	455,735
Even Start Hub-site 00-01	84.314B	678P50-ED	35,000	35,000	35,000

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 2001

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures
U.S. Department of Education - Continued					
Passed Through State Department of Education: Elementary and Secondary Education Act of 1965 - Title I					
Migrant Recruiter 99-00	84.011	00-MI-26-M	187,862	2,987	2,987
Migrant Recruiter 00-01	84.011	01-MI-26-M	227,000	138,008	138,008
Migrant Reallocation 00-01	84.011	01-MI-26-C	83,980	6,946	6,946
				<u>147,941</u>	<u>147,941</u>
Title I - Educationally Deprived Children 99-00	84.010	(1) 00-TI-26-1	11,918,548	861,503	861,503
Title I - Educationally Deprived Children 00-01	84.010A	(1) 01-TI-26-1	11,887,627	9,740,568	9,740,608
Title I - Educationally Deprived Children 00-01 c/o	84.010	(1) 01-TI-26c/o	1,379,116	1,303,230	1,303,230
				<u>11,905,301</u>	<u>11,905,341</u>
Title I - Capital Expense 00-01	84.216	01-CI-26-1	27,156	27,156	27,156
Homeless Children and Youth 99-00	84.196	00-HI-26-1	60,000	8,920	8,920
Homeless Children and Youth 00-01	84.196	01-HI-26-1	55,000	46,887	46,887
Homeless Children and Youth 00-01	84.196	99-HI-26-1C	8,078	8,030	8,030
				<u>63,837</u>	<u>63,837</u>
Comprehensive School Reform Demonstration 99-00	84.332	99-CSR-D-26-C	601,884	52,511	52,511
Comprehensive School Reform Demonstration (FIE) 99-00	84.332	99-FIE-26-C	104,060	22,523	22,923
Comprehensive School Reform Demonstration 00-01	84.332	00-T2-26-C	671,796	557,061	557,061
Comprehensive School Reform Demonstration (FIE) 00-01	84.332	00-T3-26-C	100,000	84,110	84,110
				<u>716,205</u>	<u>716,605</u>
Elementary and Secondary Education Act of 1965, Title III					
Challenge Grants for Technology in Education 99-00	84.303	R303A50235-00	78,765	26,835	26,835

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 2001

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures
<u>U.S. Department of Education – Continued</u>					
Passed-Through State Department of Education:					
Elementary and Secondary Education Act of 1965, Title III					
Technology Literacy Challenge Grant 99-00	84.318	00-TCCF-26-F	476,850	153,180	153,180
Technology Literacy Challenge Grant 00-01	84.318	280149-26	294,853	<u>57,125</u>	<u>57,125</u>
				<u>210,305</u>	<u>210,305</u>
Educate America Act - Title III Goals 2000					
Learn Professional Development 00-01	84.276A	2801PD-26	252,940	218,790	218,790
Learn Local Improvement 99-00	84.276A	2800L-26-L	47,640	22,119	22,119
Learn Teacher Subgrant 99-00	84.276A	00-LTS-26-F	19,817	521	521
Learn Teacher Subgrant 00-01	84.276A	280ITS-26	7,808	7,740	7,740
Learn Below Average 00-01	84.276A	OIL126	47,632	19,847	19,847
Learn Education Improvement 99-00	84.276A	00-LPD-26F	252,940	<u>86,677</u>	<u>86,677</u>
				<u>355,694</u>	<u>355,694</u>
Reading Excellence, Title II, Part C					
Local Reading Improvement 00-01	84.338A	00-RI-26	598,857	<u>489,927</u>	<u>490,928</u>
Elementary and Secondary Education Act of 1965 - Title VI					
Title VI - Improving School Programs 99-00	84.298	00-00-26-6	464,319	70,642	70,642
Title VI - Improving School Programs 00-01	84.298	01-00-26-6	424,539	377,354	377,354
Title VI - Improving School Program 00-01c/o	84.298	01-00-26-c/o	63,854	<u>63,854</u>	<u>63,854</u>
				<u>511,850</u>	<u>511,850</u>
Elementary and Secondary Education Act of 1965 - Title VII					
Emergency Immigrant Education Program 99-00	84.162	28-00-X2-26-S	147,408	12,899	12,899
Emergency Immigrant Education Program 00-01	84.162	28-01-X2-26	173,382	151,929	151,929
Emergency Immigrant Education Program 99-00 c/o	84.162	IASA-26-VII c/o	14,501	416	416
Emergency Immigrant Education Program 00-01 c/o	84.162	28-00-X2-26-S c/o	2,657	<u>2,657</u>	<u>2,657</u>
				<u>167,901</u>	<u>167,901</u>

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
For the Year Ended June 30, 2001

<u>Schedule of Expenditures of Federal Awards</u>					
<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Education - Continued</u>					
Passed-Through State Department of Education:					
Individual With Disabilities Education Act of 1990 - Part B (P.L.101-476)					
IDEA-B Flow Through 99-00	84.027A	00-1B-26-S	4,438,880	918,772	919,583
IDEA-B Flow Through 00-01	84.027A	01-B1-26	5,571,040	2,821,217	2,824,023
IDEA-B Flow Through 00-01 c/o	84.027A	00-B1-26-S c/o	364,272	364,159	364,159
IDEA-B Students with Disabilities 00-01	84.027A	28-00-B2-26	60,000	39,912	39,912
				<u>4,144,060</u>	<u>4,147,677</u>
IDEA-B Preschool 99-00	84.173A	00-P1-26-S	318,361	23,361	23,441
IDEA-B Preschool 00-01	84.173A	01-P1-26-S	348,896	228,420	228,420
IDEA-B Preschool 00-01 c/o	84.173A	00-P1-26-S-c/o	19,219	19,213	19,213
				<u>270,994</u>	<u>271,074</u>
<u>Individual With Disabilities Education Act of 1990 Part H (P.L.91-230)</u>					
IDEA C 99-00	84.181	28-00-H3-26-S	38,200	139	139
IDEA C 00-01	84.181	01-H3-26	49,600	43,878	43,878
				<u>44,017</u>	<u>44,017</u>
<u>Safe and Drug Free Schools and Communities Act of 1986 (P.L.99-570)</u>					
Safe and Drug Free Schools 99-00	84.186	00-70-26-D	398,858	20,003	20,003
Safe and Drug Free Schools 00-01	84.186	01-70-26	392,570	381,826	381,826
Safe and Drug Free Schools 00-01 c/o	84.186	00-70-26 c/o	37,608	37,608	37,608
Greatest Needs Supplement 99-00	84.186	00-79-26-D	613,612	91	91
Greatest Needs Supplement 00-01	84.186	01-79-26	666,817	528,935	528,935
Greatest Needs Supplement 99-00 c/o	84.186	99-IASA-26-IV	45,310	52,796	52,796
				<u>1,021,259</u>	<u>1,021,259</u>

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
For the Year Ended June 30, 2001

<u>Schedule of Expenditures of Federal Awards</u>					
<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Education - Continued</u>					
Passed-Through State Department of Education:					
Department of Education Appropriations Act of 1999 (P.L. 105-277)					
Class Size Reduction 99-00	84.340	00-01-26-6	2,153,249	94,036	94,036
Class Size Reduction 00-01	84.340	01-01-26	2,316,668	2,149,893	2,149,893
Class Size Reduction 00-01 c/o	84.340	28-00-01-26-6 c/o	66,337	66,337	66,337
				<u>2,310,266</u>	<u>2,310,266</u>
<u>Education for Economic Security</u>					
Act - Title II (P.L.98-377)					
State Grants for Strengthening the Skills of Teachers and the Quality Instruction in Mathematics and Science 99-00	84.281	00-50-26-1	401,207	63,647	63,647
State Grants for Strengthening the Skills of Teachers and the Quality Instruction in Mathematics and Science 00-01	84.281	01-50-26	386,810	281,674	281,674
State Grants for Strengthening the Skills of Teachers and the Quality Instruction in Mathematics and Science 99-00c/o	84.281	00-50-26-1 c/o	226,268	786	786
State Grants for Strengthening the Skills of Teachers and the Quality Instruction in Mathematics and Science 00-01 c/o	84.281	01-50-26-1 c/o	75,360	75,358	75,358
				<u>421,465</u>	<u>421,465</u>
<u>Carl D. Perkins Vocational and Applied Technology Education Act - Title II</u>					
Basic Grant 00-01	84.048	0202-26	806,497	888,257	890,148
Tech-Prep Education 99-00	84.243	-	2,500	-	25
Tech-Prep Education 00-01	84.243	-	10,000	9,871	9,871
				<u>9,871</u>	<u>9,896</u>

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 2001

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures
<u>U.S. Department of Education - Continued</u>					
Adult Education Act of 1966					
Adult Education Program	84.002	-	576,230	<u>547,306</u>	<u>547,306</u>
Total Pass-Through State Department of Education				<u>\$24,771,182</u>	<u>\$24,778,236</u>
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>\$25,340,704</u>	<u>\$25,347,758</u>
<u>U.S. Department of Health and Human Services</u>					
Passed-Through State Department of Health and Hospitals:					
Title XIX - Early and Periodic Screening, Diagnosis, Treatment School Nurse Program 99-00	93.778	-	-	344,879	344,879
Medical Assistance Program (Medicaid)	93.778	-	-	<u>328,792</u>	<u>206,388</u>
				<u>673,671</u>	<u>551,267</u>
Passed-Through State Department of Social Services:					
Child Care & Development Block Grant Act of 1980					
Starting Points 00-01	93.575	280138-26	406,437	<u>406,355</u>	<u>409,357</u>
Child Care Assistance	-	49492400	-	<u>259,282</u>	<u>259,282</u>
Refugee Act of 1980 (P.L. 96-212)					
Refugee & Entrant Assistance 00-01	93.576	01-X3-26	65,786	<u>48,451</u>	<u>48,451</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				<u>\$ 1,387,759</u>	<u>\$1,268,357</u>

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

For the Year Ended June 30, 2001

Schedule of Expenditures of Federal Awards					
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/Expenditures
<u>U.S. Department of Labor</u>					
Pass-Through State Department of Labor/Parish of Jefferson:					
Job Training Partnership Act					
Job Placement and Training Program for the Handicapped Student	17.250	-	40,000	3,305	3,305
Jobs for Louisiana Graduates	17.250	-	114,293	88,939	88,939
Jobs for Louisiana Graduates Learn and Serve	17.250	-	5,000	4,853	4,853
TOTAL U.S. DEPARTMENT OF LABOR				\$ 97,097	\$ 97,097
<u>U.S. Department of Agriculture</u>					
Passed-Through State Department of Education:					
Food Distribution (Commodities)	10.550	(1)	-	972,235	1,157,506 (3)
School Breakfast Program					
Free and Reduced Price Meals	10.553	(1)	-	2,623,465	2,623,465 (4)
National School Lunch Program					
Free and Reduced Price Meals	10.555	(1)	-	9,278,854	9,278,854 (4)
Summer Food Service Program for Children	10.559	(1)	-	453,266	454,579 (4)
TOTAL U.S. DEPARTMENT OF AGRICULTURE				\$ 13,327,820	\$ 13,514,404
<u>Other Programs</u>					
Passed-Through Maxwell Air Force Base: Reserve Officer Training Corp. (ROTC) Corporation for National and Community Service Americorps	-	271.653	-	510,877	510,877
	94.006	280127-26	5,000	805	805
TOTAL OTHER PROGRAMS				511,682	511,682
TOTAL FEDERAL ASSISTANCE				\$ 40,665,062	\$ 40,739,298

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
For the Year Ended June 30, 2001

<u>Schedule of Expenditures of Federal Awards</u>				
Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized
				Disbursements/ Expenditures

- (1) Represents a major program.
- (2) This amount represents the value of Commodities received by the School System during the year ended June 30, 2001.
- (3) This amount represents the value of Commodities used by the School System during the year ended June 30, 2001.
- (4) These amounts represent the cash subsidy received by the School System during the year ended June 30, 2001.

See accompanying Footnotes to Schedule of Expenditures of Federal Awards.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
FOOTNOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic of Presentation

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School System has met the qualifications for the respective grants. Several programs are funded jointly by State of Louisiana appropriations and federal funds. Cost incurred in programs partially funded by federal grants are applicable against federal grant funds to the extent of revenue available when they properly apply to the grant. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts are presented in, or used in the preparation of, the general-purpose financial statements.

Accrued and Deferred Reimbursement

Various reimbursement procedures are used for federal awards received by the School System. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year-end represented an excess of reimbursable expenditures over cash reimbursements received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM
SUMMARY OF AUDIT RESULTS AND STATUS OF PRIOR YEAR'S FINDINGS
For the Year Ended June 30,2001

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the general-purpose financial statements of the Jefferson Parish Public School System.
2. No reportable conditions relating to the audit of the financial statements of Jefferson Parish Public School System were noted during the audit.
3. The only noted instance of noncompliance affecting financial reporting related to the omission of budgeting for several special revenue funds as required by Louisiana Revised Statutes 39:1305 and 17:88. Most expenditure-driven special revenue funds, primarily Federal and State grants, have been excluded from the budget process required by statute due to a misinterpretation of the statutory requirements. The School System is planning to include budgets for all special revenue funds in the budget process for the year beginning July 1, 2002.
4. No reportable conditions relating to the audit of the major federal award programs is reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance* in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Jefferson Parish Public School System expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for Jefferson Parish Public School System were noted, accordingly there is no *Schedule of Findings and Questioned Cost*.
7. The programs tested as major programs include:

	<u>CFDA No.</u>
A. National School Lunch Program	10.555
B. National School Breakfast Program	10.553
C. Summer Food Service Program for Children	10.559
D. Food Distribution	10.550
E. Title I – Educationally Deprived Children	84.010

8. The threshold for distinguishing between type A and type B programs was \$1,222,179.
9. Jefferson Parish Public School System was determined to be a low-risk auditee.

STATUS OF PRIOR YEAR'S FINDINGS

There were no findings related to federal awards for the year ended June 30, 2000.

SCHEDULE OF FINDINGS AND QUESTIONED COST

The School System had no findings or questioned cost requiring disclosure for June 30, 2001.

Deloitte & Touche LLP**Rebowe & Company, CPA, APC Hanford M. Harrison, CPA**

701 Poydras Street
Suite 3700
New Orleans, Louisiana 70139
(504) 581-2727

3501 N. Causeway Boulevard
Suite 810
Metairie, Louisiana 70002
(504) 837-0123

1027 Whitney Avenue
Gretna, Louisiana 70056
(504) 368-2501

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LEGISLATIVE AUDITOR
02 MAR 14 AM 10:16

October 19, 2001

Jefferson Parish School Board
4600 River Road
Marrero, Louisiana 70072

Dear Members of the Board:

In planning and performing our audit of the general purpose financial statements of the Jefferson Parish Public School System (School System) for the year ended June 30, 2001 (on which we have issued our report dated October 19, 2001), we developed the following recommendations concerning certain matters related to the School System's internal control and certain observations and recommendations on other accounting, administrative and operating matters. A description of the responsibility of management for establishing and maintaining internal control, and of the objectives of and inherent limitations of internal control, is set forth in the attached Appendix, and should be read in conjunction with this letter. Our comments are presented in Exhibit I and are listed in the table of contents thereto. See also "Status of Prior Year's Recommendations" on page 6.

This report is intended solely for the information and use of the School Board, management, the State of Louisiana Legislative Auditor, and officials of applicable federal and State agencies and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,

Deloitte & Touche LLP Rebowe & Company Hanford M. Harrison

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM**TABLE OF CONTENTS**

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ACCOUNTING, ADMINISTRATIVE AND OPERATING MATTERS

FUND BALANCE OF THE GENERAL FUND

Observation

Over the last several years, the School System has appropriated portions of its prior year fund balance in its general fund in order to meet increasing expenditure requirements. For each of the past five years, expenditures in the general fund have exceeded revenues. Since June 30, 1996 the fund balance in the General Fund has declined from \$19.1 million to \$5.7 million at June 30, 2001. On a budgetary basis after considering outstanding encumbrances, the fund balance at June 30, 2001 was only \$2.4 million—less than 1% of annual general fund expenditures.

Recommendation

Many governments establish minimum levels of fund balance beyond which levels they will not exceed except in unusual or extraordinary circumstances. We recommend that the School System establish for budgeting purposes a minimum level of fund balance to protect it from unanticipated drops in revenue or increases in expenditures. This is particularly important for the School System in view of its dependence on sales tax revenues which can fluctuate significantly in response to trends in the local economy. A guideline commonly used in governmental finance is to maintain a fund balance of approximately 4-5% of general fund expenditures, which equates to a range of \$10-14 million for the School System. Achieving such a level of fund balances would require several years of budgeting small surpluses.

Management's Response

The School System's management has become aware of the dwindling fund balance. As a result, the proposed fiscal year 2001/2002 General Fund Operations Budget included an approximate \$1,000,000 addition to the fund balance. Unfortunately, due to an unforeseen increase in hospitalization cost, \$4,100,000 in budget cuts were made to the general fund after the adoption of this budget. The Jefferson Parish School Board has called upon its Long Range Planning Committee to offer solutions for increasing revenue. The committee is currently holding regularly scheduled meetings on such topics as Special Education Costs, potential Property Tax increases, and Sales Tax Collection issues.

INVESTMENTS

Observation

Since 1999 the School System has adopted a very conservative policy of investing only in securities with maturities of less than one year. All securities are timed to mature prior to June 30 each year to avoid potential reporting issues in the annual CAFR.

Recommendation

Interest rates have declined substantially over the past year. Typically, investing funds with maturities of two to three years can provide improved yields of 50-100 basis points. We recommend that the School System revisit the investment policy in order to capture higher yields while continuing to emphasize safety in the selected investment vehicles. One alternative worth considering in lieu of direct investments in specific debt instruments is participation in the Louisiana Asset Management Pool ("LAMP"), which exists to assist Louisiana governmental entities in the investment of cash balances. Yields paid by LAMP in recent years have exceeded treasury bill yields and money can be withdrawn on short notice.

Management's Response

Currently, the School System's investments policy only allows investments to be made in certificates of deposit and treasury notes/bills. The meager fund balance has allowed the School System to invest at only six month intervals. In addition, the fiscal agreement with Regions Bank/Omni Bank has provided sufficient interest in comparison to other types of investments allowed within the investment policy. The School System will review its current policy and evaluate alternative investment vehicles.

BUDGETING

Observation – Special Revenue Funds

Within the Special Revenue fund group, the School System has followed the practice for many years of budgeting the operations of only the Community Education and Adult Education funds. Nearly all of the other special revenue funds represent Federal and State grants which have not been budgeted in advance in the past because revenues are typically realized in amounts equal to the expenditures permitted under the grants ("expenditure-driven funds"). State law requires the budgeting of all special revenue funds.

Background

Louisiana Revised Statutes 39:1305 and 17:88 require the adoption of a comprehensive budget presenting a complete financial plan for the ensuing year for the general fund and each special revenue fund. Louisiana Revised Statute 39:1311(B) exempts special revenue funds which are expenditure-driven from the requirement to adopt amended budgets if projected revenues or expenses deviate more than 5% from the adopted budget; however, such funds are not exempt from the requirement to prepare a formal budget near the start of each fiscal year.

Recommendation

The School System should include budgets for all special revenue funds in the budget process for the fiscal year beginning July 1, 2002.

Management's Response

Our failure to adopt formal budgets for all special revenue funds was an oversight due to a misinterpretation of the statutory requirements for expenditure-driven funds. The budget for the fiscal year beginning July 1, 2001 had already been adopted in a manner consistent with prior years prior to this compliance issue being brought to our attention. We will ensure that the budget process for the fiscal year beginning July 1, 2002 includes budgets for all special revenue funds as required by statute.

Observation – Community Education Fund

We noted that for one of the budgeted Special Revenue Funds, Community Education, there was an unfavorable variance between actual versus budget expenditures of greater than five percent. Expenditures exceeded budget by \$229,444 or 7.0%. However, it should be noted that total revenues exceeded budget by \$442,988 or 13.6%. Amended budgets for this fund were not adopted as required by state law.

Background

Per LSA – RS 39:1311 *Budgetary Authority and Control*, when there has been a change in operations upon which the original adopted budget was developed, the governing authority shall adopt a budget amendment in an open meeting to reflect such change. The adopted budget and any duly authorized adopted amendments shall form the framework from which to monitor revenues and control expenditures. Therefore, there must be an amended budget when projected revenue and other sources for the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more. Likewise, when projected expenditures and other uses for the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more, the budget must be amended accordingly.

Recommendation

School System management should institute procedures to closely monitor the financial performance of each fund (in particular, those that require a budget) and ensure that the budget is amended appropriately when unfavorable variances between actual amounts recorded and budget are projected to occur.

Management's Response

The School System failed to make a revision to the community education budget as required due to an oversight. In the future, we will monitor such budget variances more carefully and propose amended budgets as necessary.

ACCOUNTS PAYABLE

Observation

We noted that the School System's accounting system does not allow for the accrual of payables at year-end; therefore, School System personnel must manually accrue items, which is a time-consuming process.

Background

With the voluminous amount of invoices that are processed by the School System, it appears that the current system of accruing accounts payable is difficult and time-consuming. As a result of reviewing numerous invoices, unintentional errors are prone to occur giving rise to the potential for School System personnel to miss invoices that may require accrual, thereby misstating both accounts payable and expenditures. The appropriate software has been purchased; however, it has not been implemented.

Recommendation

We strongly recommend implementation of the necessary software that would enable the School System to automatically accrue payables at year-end, rather than manually accruing items by invoice date. This would reduce the burden of tracking all invoices at year-end in order to determine if an item represents a proper payable, thereby reducing the potential risk of understating liabilities.

Additionally, with the impact of GASB No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, the full accrual method will need to be implemented in the near future. Implementation of the previously purchased software package may allow for greater ease in the transition to GASB 34 requirements.

Management's Response

The administration has reviewed the current accrual process and discussions concerning improvements are ongoing. However, the implementation of an accrual process would be both lengthy and cost driven. Management will make the conversion when funds become available.

GASB STATEMENT NO. 34

Observation

In June 1999, the Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 34 "Basic Financial Statements" which will be effective for the School System during the year beginning July 1, 2001. GASB Statement No. 34 establishes new financial reporting requirements for the School System as well as for other state and local governments. When implemented, it will create new information and will restructure much of the information that the School System has presented in the past. This is the most dramatic change for financial reporting of governmental entities in the last 20 years.

The most significant changes will be that: the School System will report financial information for all governmental fund type accounting on government-wide financial statements utilizing the full accrual method of accounting as opposed to the modified accrual method currently used; the School System will be required to record and depreciate all capital assets, and to eliminate both the General Fixed Asset Accounting Group "GFAAG" and the General Long-Term Debt Accounting Group "GLTAG"; the School System will present dual financial statements with presentation of both "Government-wide Financial Statements" and the traditional "Fund Financial Statements"; the School System will eliminate all interfund transactions, including *interfund loans, interfund services provided and used, and interfund transfers*.

In preparation for GASB Statement No. 34, the Jefferson Parish Public School System will need to invest extensive time prior to its implementation. Specifically, the School System will need to:

1. Conduct an extensive inventory of its capital assets. A book value and asset life will need to be determined and each asset will be depreciated over its remaining life. If the School System does not already have a fixed asset accounting package capable of calculating depreciation, the School System will need to evaluate and obtain such software. The School System should also reevaluate its current capitalization threshold of \$500 and consider raising its level of capitalization for reporting purposes.
2. Since the School System has previously elected not to implement GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the School System will need to implement this statement which will require that the following steps need to be done:
 - Recalculate all discounts and/or premiums on all previously issued bonds and begin to amortize this discount/premium over the life of the bonds.
 - Calculate any gain or loss from refinancing of bonds and amortize such amounts over the life of the bonds.
 - Interest costs on capital projects open or begun in the year of implementation will need to be calculated and capitalized as a component of capital asset historical cost.

3. A Management Discussion and Analysis ("MD&A") section will need to be reported as "required supplementary information" in the financial statements (this is in addition to the Letter of Transmittal) outlining the following:
 - A brief description of the financial statements.
 - Condensed financial position with comparative information derived from the government wide financial information.
 - Analysis of balances and transactions of major individual funds.
 - Analysis of significant variations between original and final budget amounts.
 - Description of significant capital assets and long-term debt activity.
 - Description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations.
4. All funds will need to be classified as either major or non-major. Only major funds will be presented as individual funds in the financial statements. All non-major governmental type funds and all non-major proprietary funds will be grouped as one fund and presented as such. This will be a significant change from the present fund accounting presentation.

The full effect of GASB Statement No. 34 will not be known until its implementation. Proper planning and advanced preparation could eliminate the risk of unexpected surprises and unnecessary time delays in the year of implementation.

Recommendation

The Jefferson Parish Public School System has developed a plan of action designed to make the implementation to GASB Statement Number 34 financial statements as smooth and efficient as possible. Execution of this plan during the 2002 fiscal year should be a high priority and should be carefully monitored.

Management's Response

The administration has purchased the appropriate software necessary to facilitate the requirements of GASB No. 34. A task force has been formed and is currently engaged in the conversion of the School System's fixed assets. The School System has also engaged Rebowe & Company to advise the School System in its preparation for the implementation of GASB No. 34.

JEFFERSON PARISH PUBLIC SCHOOL SYSTEM

STATUS OF PRIOR YEAR'S RECOMMENDATIONS YEAR ENDED JUNE 30, 2001

Student Activity Accounts	Improvements noted. There are no current year recommendations.
Accounts Receivable	Improvements noted. There are no current year recommendations.
School Lunch Enterprise Fund	Improvements noted. There are no current year recommendations.
Maintenance Department Controls	Improvements noted. There are no current year recommendations.
Budgeting	Partially repeated in current year's recommendations.
Accounts Payable	
Open Purchase Orders	Improvements noted. There are no current year recommendations.
Accrual Process	Repeated in current year's recommendations.
New Accounting Pronouncements: GASB Statement No. 34	Repeated current year's recommendations.

APPENDIX

MANAGEMENT'S RESPONSIBILITY FOR, AND THE OBJECTIVES AND LIMITATIONS OF, INTERNAL CONTROL

The following comments concerning management's responsibility for internal control and the objectives and inherent limitations of internal control are adapted from the Statements on Auditing Standards of the American Institute of Certified Public Accountants.

Management's Responsibility

Management is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls.

Objectives

The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Limitations

Because of inherent limitations in any internal control, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.