

LAFOURCHE PARISH SCHOOL BOARD



Seated from left: Rhoda Caldwell (Vice President); Jo Ann Matthews (Superintendent); Louis E. Thibodaux (President); Julie M. Breaux; Stella Lasseigne. Standing from left: Richmond Boyd, Jr.; Larry Pitre; Al Archer; Gary Foret; Lawrence M. Mounic; Robert Naquin; G. A. Rodrigue, Jr.; Jon Callais; Ronald J. Pere; Roy Landry; Dennis Jean Chiasson.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

***For Fiscal Year Ending
June 30, 2007***

LAFORCHE PARISH SCHOOL BOARD
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2007
 With Supplemental Schedules

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LAFOURCHE PARISH SCHOOL BOARD

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2007

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Lafourche Parish School Board

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Transmittal Letter

December 10, 2007

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

The Lafourche Parish School Board is required to issue a complete set of financial statements within six months of the fiscal year end. These statements have been prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Therefore, we issue this comprehensive annual financial report of the Lafourche Parish School Board for the fiscal year ended June 30, 2007 in fulfillment of all report requirements.

MANAGEMENT REPRESENTATIONS

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

AUDITOR'S OPINION

The School Board's financial statements are audited by Stagni & Company, LLC, a firm of licensed independent certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Lafourche Parish School Board for the fiscal year ended June 30, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial

statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Lafourche Parish School Board's financial statements for the fiscal year ended June 30, 2007, are fairly presented in conformity with GAAP. The independent audit report is presented as the first component of the Financial Section of this report.

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

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

PROFILE OF THE GOVERNMENT

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

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

MISSION, VISION, AND BELIEF STATEMENTS

MISSION STATEMENT

The mission of the Lafourche Parish Public Schools is to offer exemplary academic, vocational, and co-curricular programs and to develop in all students a strong sense of responsibility, citizenship, and respect for others.

VISION STATEMENT

The citizens of Lafourche Parish place the education of their children as a top priority. Education is a shared responsibility of the schools, students, families, Lafourche Parish School System staff, School Board, local government agencies, higher education and the business community. There is a commitment from stakeholders to help all students to become lifelong learners, realize their full potential, appreciate the relevance of their education, be excited to learn and empowered for success. Our schools foster a love of learning and our schools equip students with the knowledge and skills required to lead productive and fulfilling lives in the changing society of the 21st century.

BELIEF STATEMENTS

1. Education is society's first priority.
2. Excellence is worth the cost.
3. All children can learn.
4. Student achievement is the primary, but not the only measure of success when evaluating the effectiveness of the system's performance.
5. Everyone must have high expectations of the student and hold the student to high expectations.
6. Open and honest communication builds trust.
7. Community and parental support is essential if the system is to remain effective in its commitment to student learning.

FACTORS AFFECTING FINANCIAL CONDITION

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

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

The Port Fourchon is located on 3,600 acres at the mouth of Bayou Lafourche. The facility has 130 tenants and has 250 vessels a day going through the port's channels. Half of the drilling activity in the Gulf of Mexico and 75 percent of the deep water production is serviced by the Port (www.offshore-mag.com).

In addition to these segments, the parish has planting enterprises, mainly sugar cane, with a gross annual value of \$27.6 million, wildlife and fishery enterprises, mainly marine fisheries with a gross annual value of \$45.9 million and domestic animal enterprises, mainly cattle with a gross annual value of \$14.7 million. The economy also includes agricultural-implement manufacturing, shipbuilding and machine fabrication.

According to the Louisiana Department of Labor, the October 2007 employment was 47,389 up from 47,220 in October 2006 and the unemployment rate was 2.0% which is down from the October 2006 of 2.8%. One is the up-grade of Louisiana Highway 1 which services Port Fourchon in the southern portion of the parish. The highway currently services about 1,000 big trucks daily (www.dotd.state.la.us/press). Phase 1 which covers the construction of a replacement for the Leeville Bridge has an estimated cost of \$349 million, Phase 2 which covers the construction of an 8.3 mile two-lane elevated highway has an estimated cost of \$220 million and Phase 3 which covers a 19.5 mile four-lane highway has a estimated cost of \$340 million and Phase 4 which covers an 8 mile elevated highway has a estimated cost of \$582 million (www.offshore-mag.com). The second project is the Jack No. 2 well that is being developed by Chevron and its partners which has an estimated production of 15 billion barrels (www.grist.org/news). Sales tax collections grew by 14% in the 2007 fiscal year.

Long-term financial planning: The School Board is in the process of upgrading its facilities, a process that began in the 2003 fiscal year when the Transition Team was impaneled for the 1997 Bond issue. The South Central Planning and Development Commission, and the architect firm of Gossen-Holloway and Associates have been used at various times to determine the facility needs of the Lafourche Parish schools. The Team has completed the determination and the optimum grade configuration. The purpose of the current construction fund is to ensure that the facilities optimize the benefits of the grade configuration.

The work of the School Board staff and the two outside firms has been appreciated by the voters of the parish who have authorized the issuing of \$94.4 in general obligation bonds since the beginning of this process in 1997. With this process well under way, the School Board has turned to other long-term issues and adopted its strategic plan entitled Long Range Strategic Plan: District Goals 2006 – 2011, a copy of which is available at the school board office upon request.

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

CATEGORY	2007 (millions)	2006 (millions)
Cash on hand and in demand deposits	\$14.8	\$17.7
LAMP	\$72.8	\$74.2
Time Deposits	\$0.4	\$0.5
Total Cash Equivalents	\$88.0	\$92.4
Governmental Activities	\$82.3	\$87.1
Agency Funds	\$5.7	\$5.3
	\$88.0	\$92.4

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

The greatest change in cash is due to the Construction Fund activity. The cash balances in the two funds decreased by \$14.9 million because of contractor draw downs and because both funds are nearing the end of their useful lives. The General and Debt Service funds had cash increases of \$5.8 million and \$1.9 million respectively. These increases are the result of conservative budgeting and the rise in tax revenues spurred by the current economic climate. Finally, the Group Insurance Fund's cash balance increased by \$2.1 million as a result of premium rates changes and a better than expected claims experience.

Risk Management: The School Board provided workers compensation coverage for its employees using a self-insured retention of \$300,000 and a \$1 million limit for each workers compensation claim. The School Board used F. A Richard and Associates for third-party administrative services for this program. The restricted net assets for the Worker's Compensation fund reached \$5 million by June 30.

The School Board's self-funded group health insurance program had a self-insured retention of \$175,000 for each medical claim. The School Board used Benefits Management Services for the TPA services and Highmark Life Insurance Company for re-insurance coverage. The restricted net assets total in the Group Health Insurance Fund was \$4.3 million at June 30.

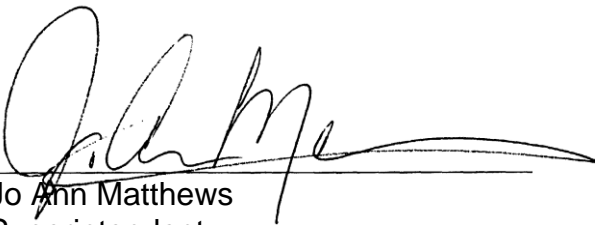
The School Board established a Loss Control Fund to better manage its non-workers compensation property and casualty perils. It maintained a \$150,000 deductible for general liability, and automobile fleet losses with a \$1 million limit per

occurrence, and a \$2 million aggregate limit. The School Board used F. A Richard and Associates for third-party administrative services for these programs. The School Board also had a building and contents policy covering \$191 million of property with a \$250,000 (or 2% of loss whichever is greater) deductible for building and content losses due to wind and hail (named storm), and a \$250,000 deductible for building and content losses from other perils. Nutmeg Insurance Company covered the first \$5 million layer, Allied World Assurance covered the next \$5 million layer, RSUI Indemnity covered the next \$5 million, and the remainder was self-funded. These programs are now accounted using the Hurricane Recovery Fund and the Loss Control Fund. At June 30, the Hurricane Recovery Fund had a net assets balance of \$1.2 million and the Loss Control Fund had a net assets balance of \$1.4 million.


ACKNOWLEDGMENTS

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

Sincerely,



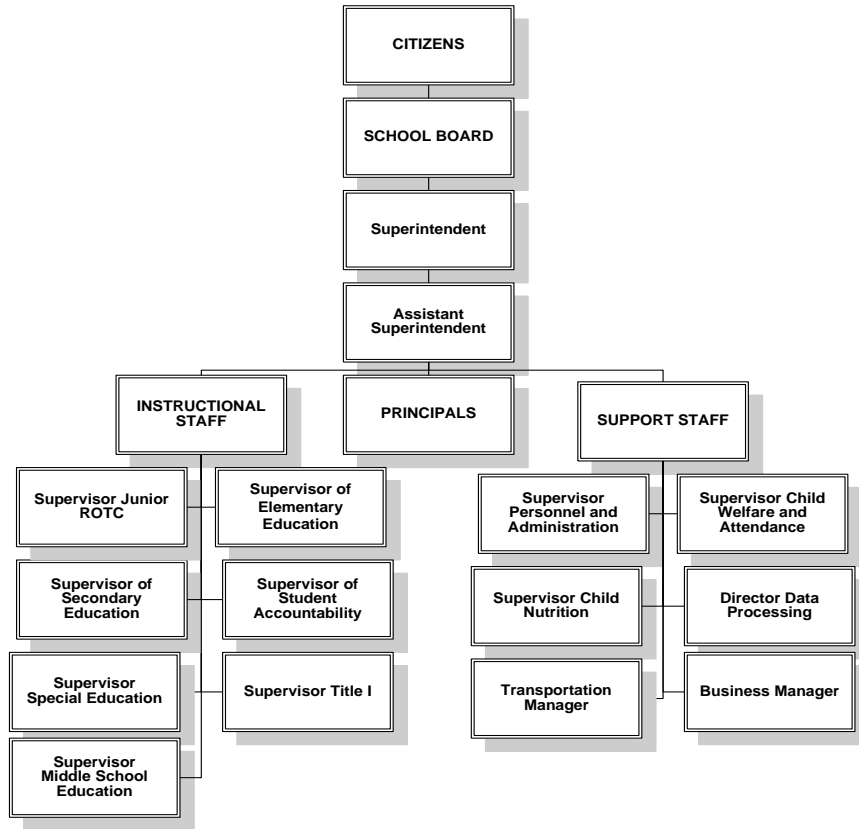
Jo Ann Matthews
Superintendent



Don Gaudet
Business Manager

LAFORCHE PARISH SCHOOL BOARD

Organizational Structure



LAFOURCHE PARISH SCHOOL BOARD
Thibodaux, Louisiana

Principal Officials

<i>SCHOOL BOARD MEMBERS</i>	<i>DISTRICT</i>
Louis E. Thibodaux, president	1
Rhoda Caldwell, vice president.....	2
Richmond Boyd, Jr.....	3
Robert P. Naquin.....	4
Stella C. Lasseigne	5
G. A. Rodrigue, Jr.	6
Gary Foret	7
Ronald J. Pere	8
Julie Breaux	9
Dennis Jean Chiasson	10
Roy Landry.....	11
Jon C. Callais	12
Al Archer	13
Larry Pitre.....	14
Lawrence Mounic	15

<i>ADMINISTRATORS</i>	<i>POSITION</i>
Jo Ann Matthews.....	Superintendent
Gary Babin	Assistant Superintendent
Louis Voiron, Jr.	Supervisor of Elementary Education
Blaine Degruise.....	Supervisor of Secondary Education
John "Chris" Bowman, III	Supervisor of Middle Schools
Linda Dangerfield	Supervisor of Special Education
Pamela Folse	Supervisor of Title I
Lt. Col. Arthur Rice.....	Supervisor of Junior ROTC
Julie Bourgeois.....	Supervisor of Student Accountability
Ray Bernard	Supervisor of Child Welfare and Attendance
Frank Pasqua	Supervisor of Child Welfare and Attendance
Francis Rodriguez	Acting Supervisor of Personnel and Administration
Lauren Fletcher	Supervisor of Child Nutrition Programs
Britt Ledet.....	Director of Data Processing
Royce Doucet.....	Transportation Manager
Don Gaudet.....	Business Manager

LAFOURCHE PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2007

FINANCIAL HIGHLIGHTS

This section contains a narrative overview and analysis of the financial activities of the Lafourche Parish School Board for the fiscal year ended June 30, 2007. You, as the reader of these statements, are encouraged to consider the information presented here along with the information that is furnished in the letter of transmittal. This section is prepared to give you management's perspective of the information contained in the financial statements.

- ❑ The total of assets reported in the government-wide statements is \$197 million up \$9.6 million from preceding year mostly due to two factors. Current and Other Assets were reduced by \$3.5 million which is the result of two significant but opposing causes. About \$15 million of that category was converted to capital assets which is why the capital asset category grew by \$13 million. The cause of change to Current and Other Assets is the rise in cash and cash equivalents of about \$13 million because of the conservative stance the School Board has taken in budgeting and because of general economic conditions in Lafourche Parish.
- ❑ Total governmental fund revenues in 2007 were \$144.8 million compared to \$136.7 million in 2006, an increase of \$8.1 million. The increases in local revenue come from taxes which grew by \$4.5 million, e-rate receipts grew by \$3.2 million, states grants grew by \$1.5 million and interest revenue which grew by \$1.9 million. Federal grant revenues and oil and gas royalties decreased by \$1.9 million and \$528,300 respectively.
- ❑ Total governmental fund expenditures in 2007 were \$149.5 million up by \$9.9 million from 2006. Salaries increased by \$7.9 million, benefits increased by \$2.8 million, supplies by \$1.9 million. On the other hand, capital outlay expenditures decreased by \$2.4.
- ❑ Governmental fund balances in 2007 were \$69.2 million compared to \$73.4 million in 2006. Reserved Fund balances declined to \$61.5 million from \$69.6 million for the prior year while the unreserved balance grew to \$14.4 million from \$11.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet: Governmental Funds (Statement C) and the Statement Of Revenues, Expenditures, and Changes in Fund Balances: Governmental Funds (Statement D) provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

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

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

CATEGORY (\$millions)	June 30, 2007	June 30, 2006	Increase (decrease)
Current and other assets	\$99.0	\$102.5	(\$3.5)
Capital assets	97.9	84.9	13.0
Total assets	\$196.9	\$187.4	\$9.5
Current and other liabilities	\$19.4	\$21.8	(\$2.5)
Long-term liabilities	88.1	90.7	(2.6)
Total liabilities	\$107.5	\$112.5	(\$5.1)
Invested in capital assets, net of related debt	\$20.6	\$4.4	\$16.2
Restricted	39.1	46.5	(7.3)
Unrestricted	29.8	24.0	5.8
Total net assets	\$89.5	\$74.9	\$14.7

Cash and cash equivalents was the largest component of current and other assets amounting to \$82.4 million of the total which was about \$4.8 million less than in the prior year. As stated earlier, the cash balances in the two construction funds decreased by \$14.9 million because of contractor draw downs and because both funds are nearing the end of their useful lives. The General and Debt Service funds had cash increases of \$5.8 million and \$1.9 million respectively. These increases are the result of conservative budgeting and the rise in tax revenues spurred by the current economic climate. The Group Insurance Fund's cash balance increased by \$2.1 million as a result of premium rates changes and a better than expected claims

LAFOURCHE PARISH SCHOOL BOARD
Management's Discussion and Analysis
June 30, 2007

experience. The only other major change in Current and Other Assets is a \$1 million increase in Receivables. Construction Fund receivables increased by \$3.2 million because of the e-rate program, Hurricane Recovery fund receivables decreased by \$2.5 million because of FEMA reimbursements, and grant receivables increased by \$1.3 million because of the N. C. L. B. and I. D. E. A. programs.

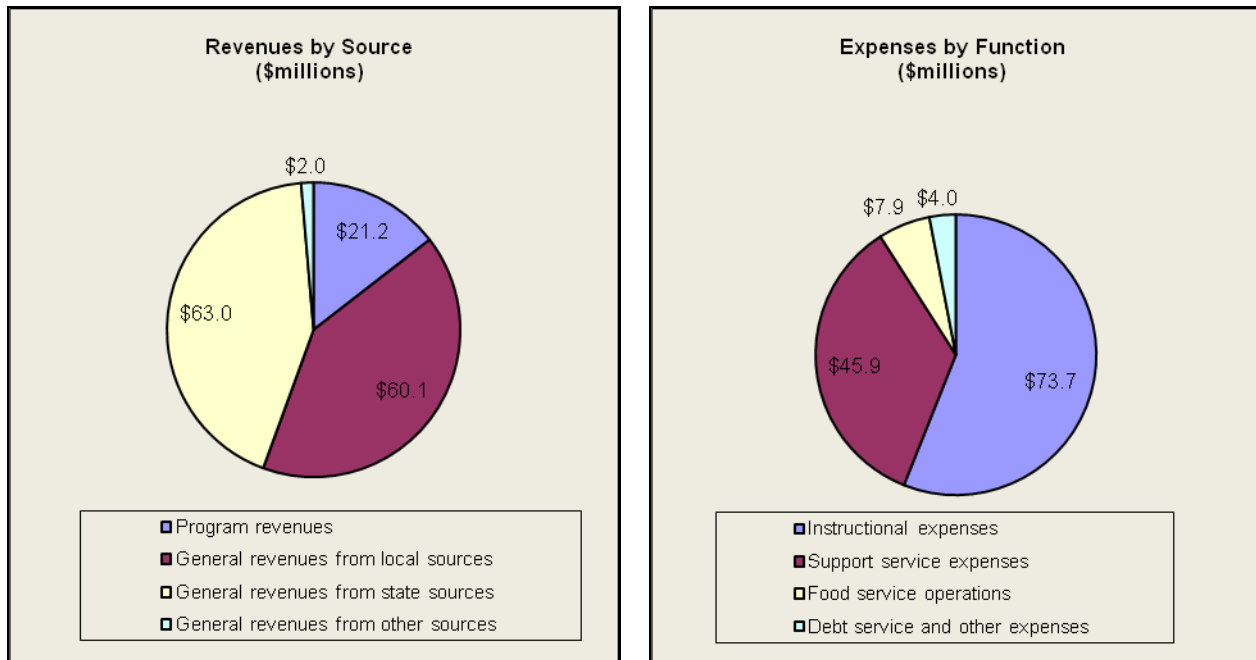
Capital Assets increased by \$13 million mostly due to the activities in the 2003 Construction and the Seimens Construction funds. Buildings and improvements had the largest change which was an increase of \$26.6 million followed by work-in-process which had a decrease of \$13.9 million.

Accounts Payable decreased by \$2.7 million, which accounts for most of the change in current and other liabilities, mainly due to the liquidation of construction contracts. The decrease of \$2.6 million in long-term liabilities was chiefly the result of the payments on general obligation bonds. The construction funds were mainly responsible for the \$16.2 increase in Net Assets Invested in Capital Assets, Net of Related Debt increased and the \$7.3 million decrease in Net Assets Restricted. Unrestricted Net Assets increased by \$5.8 million mainly because of the increase in economic activity in the parish, which resulted in greater tax and mineral royalty revenues.

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

Category (\$millions)	June 30, 2007	June 30, 2006	Increase (decrease)
Program revenues	\$21.2	\$20.1	\$1.1
General revenues from local sources	60.1	51.6	8.4
General revenues from state sources	63.0	61.2	1.8
General revenues from other sources	2.0	4.7	(2.7)
Total revenues	\$146.3	\$137.6	\$8.6
Instructional expenses	73.7	66.7	7.0
Support service expenses	45.9	40.2	5.7
Food service operations	7.9	6.8	1.2
Debt service and other expenses	4.0	4.3	(0.4)
Total expenses	\$131.5	\$118.0	\$13.5
Changes in net assets	14.8	19.6	(4.9)
Net Assets - beginning	74.8	55.2	19.6
Net Assets - ending	\$89.6	\$74.8	\$14.7

The following shows the distribution of governmental revenues and expenses:



Revenues increased by \$8.6 million during the 2007 fiscal year. The increase in Local Revenues of \$8.4 million came mostly from three sources; Taxes (\$4.5 million), E-Rate payments (\$3.2 million) and interest (\$845,000). The increase in State General revenues of \$1.8 million was mostly due to the increase in the State’s Minimum Foundation Program which was increased to cover state mandated raises. The decrease in General Revenues from Other Sources of \$2.7 million came mostly from a federal grant to defray the cost of displaced public and non-public students which was appropriated in 2006 but not in 2007.

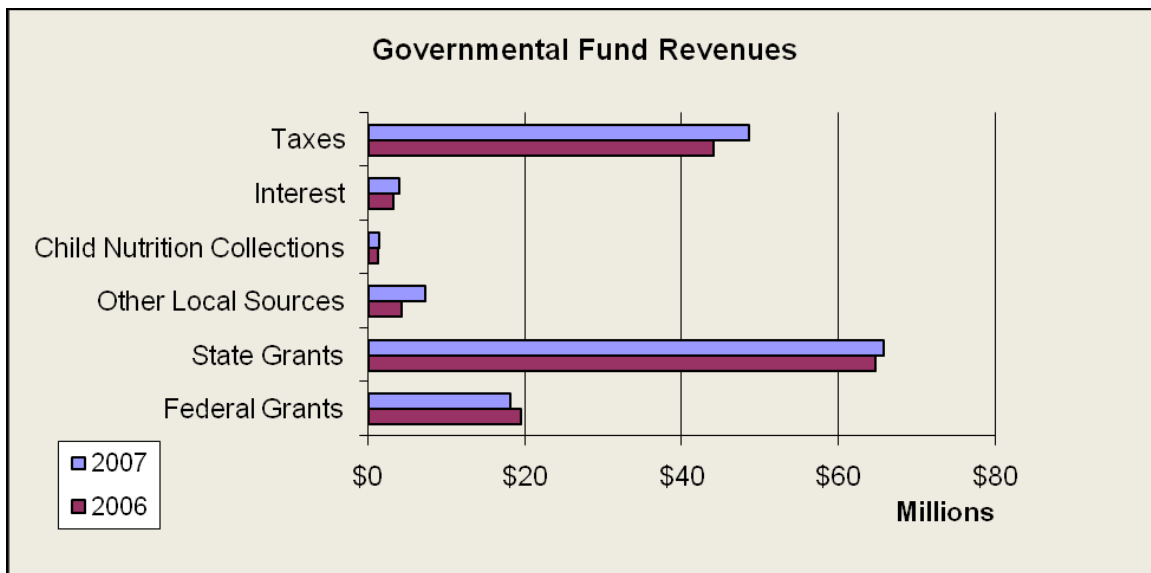
Expenses increased by \$13.5 in the fiscal year 2007. The most significant changes came from salaries which increased by \$7.9 million and benefits which increased by \$2.7 million. These increases were the result of the state and local effort to make school employees salaries competitive and were funded by a combination of increases in state, local and federal funding of salaries. Some of the increases were based on the category of employee; certified versus support, and some were based on other factors such as education level. Materials and supplies also had a significant change resulting in an expense increase of \$1.8 million, of which \$1 million is attributed to instruction.

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

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

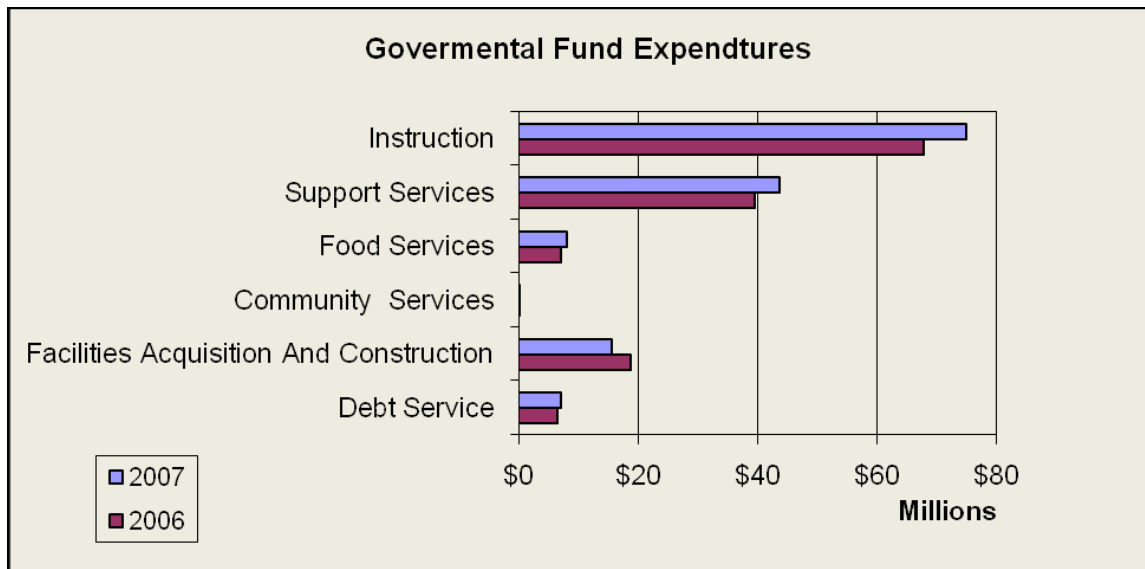
Governmental Funds: The focus of the Lafourche Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School Board's financing requirements. In particular, unreserved fund balance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

The following is a recap and analysis of revenues by source for the 2007 and 2006 fiscal years for all governmental fund types. In the 2007 fiscal year, revenues were \$144.8 million which was an \$8.1 million increase over 2006 revenues.



The explanations of the changes in governmental revenue are the same as those stated for the changes contained in the government-wide financial analysis with one notable exception, interest revenue which grew by \$663,000. The difference being that interest accrued in the proprietary funds are shown separately in the governmental fund portion of the financial statements but are combined in the government-wide portion of the financial statements.

The following is a recap and analysis of expenditures by program for the 2007 and 2006 fiscal years for all governmental fund types:



- Governmental fund expenditures were \$149.5 million in 2007, up by \$9.9 million from 2006. As discussed in the government wide expenses, most significant changes were in salaries (\$7.9 million increase) and benefits (\$2.8 million increase). The increase in supplies expenditures of \$1.8 million is the same as it is described for entity wide expenses. Facilities and other capital outlay expenditures decreased by \$2.4 million because of the activities accounted for in the construction funds. Finally, property and casualty insurance cost decreased because of changes in re-insurance limits.

Proprietary Funds: The Group Health Insurance Fund ended its fiscal year with a net asset balance of \$4.3 million which is about \$2.4 more than the previous year. Premium revenues which were set based on expected claims cost increased by \$2.6 million while claims cost increased by only \$1.5. Also, the beginning net asset balance was \$718,300 greater than for the 2006 fiscal year.

The Loss Control Fund was established with a transfer of \$500,000 from the General Fund. The Prior Period Adjustment was the net of prepaid insurance and estimated claims outstanding as of July 1, 2007 which was included only in the government wide statements prior to the establishment of this fund. The purpose was to remove the property and casualty claims cost from the General Fund so that they can be easily highlighted and to remove from the General Fund unnecessary volatility. The fund's net assets amounted to \$1.4 million as of June 30, 2007.

The Workers Compensation Fund ended with a net asset balance of \$5 million, up \$591,700 from the prior year. Premium revenue increase by \$243,100 because of the increases in salaries previously mentioned and Interest revenue increased by about \$281,600 due to better interest rates and more investible funds.

Fiduciary Funds: The School Board has two fiduciary funds that it uses to account for the assets it holds in trust. The School Activities Fund accounts for the funds that

the individual schools control. At June 30, the schools had assets equaling \$3.9 million, which was up from the previous year level of \$3.7 million.

The School Board also collects sales and use taxes for itself and the other tax levying authorities in the parish. At June 30, the fund had total assets amounting to \$8.3 million which is down from the prior year total of \$7.3 million. The total taxes collected for the fiscal year amounted to \$66.3 million which was \$10.5 million more than was collected in the previous fiscal year.

GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS

Governmental Fund Balance:

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

CATEGORY (\$millions)	GENERAL FUND
Original Budget Revenues	\$97.6
Increased Sales and use Tax Revenue to match current collection experience	3.8
Increased (decreased) Federal Grants Through State to match current awards and to exclude one-time awards for the 2006 fiscal year	0.3
Increase Interest to reflect current experience	0.6
Increased Ad-Valorem Tax Revenue to match current collection experience	0.3
Increased MFP to reflect current award letter	0.7
Increased Non-public Transportation to reflect award letter	0.1
Increased revenue from charges for meals	-
Decreased Earnings on 16th Section Property based on current experience	(0.2)
Decreased E-Rate Revenue to match current application	(0.1)
Other revenue changes	0.2
Total revenue amendments	\$5.7
Amended budget revenues	\$103.3

The following tables contain the summary of budgeted expenditure changes:

CATEGORY (\$millions)	GENERAL FUND
Original Budget Expenditures	\$100.1
Increased Salaries:	-
for cost of the November 2006 thirteenth check	1.9
for cost of the June 2007 fourteenth check	0.7
for salary schedule adjustments for Paraprofessionals	0.4
for \$3,000 increase to master level salary schedules	0.7
for changes to salary schedules for coaching salaries	0.2
for various other salary schedule changes	0.2
for changes to grants and other causes	-
Increased Employee Benefit expenditures mostly due to changes in Salary expenditures	0.8
Increased Building Improvements - Renovate/Remodel for additional air-conditioning work	-
Increased Employee Benefit expenditures due to changes in insurance rates	0.6
Increased Electricity to match current prices and usage	-
Increased Food - Purchased for current cost and usage	-
Regular Instruction Materials and Supplies mostly due to change in grant activity	0.2
Increased Maintenance Materials cost to match current experience	0.1
Increased Library Materials and Supplies due to change in grant activity	0.1
Increased Other Board Expenditures for cost of facility needs study	0.1
Changed in Debt Service cost to match payment schedules	(0.2)
Decreased Staff Support Purchased Professional Services due to change in grant activity	(0.1)
Decreased Rental of Printing/Publishing Equipment to match current contract	(0.1)
All other changes	1.2
Total expenditure amendments	6.8
Amended budget expenditures	\$106.9

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The net balance in capital assets for the School Board at June 30 was \$97.9 million. The following is a recap of the capital asset balances.

CATEGORY (\$millions)	COST	ACCUMULATED DEPRECIATION	NET BALANCE	
			2007	2006
Land	\$1.6		\$1.6	\$1.6
Buildings and Improvements	\$117.0	\$32.5	84.5	58.0
Furniture and Equipment	\$11.0	\$7.7	3.3	2.9
Construction in Progress	\$8.5		8.5	22.4
Total	\$138.1	\$40.2	\$97.9	\$84.9

The School Board had and continues to have a facilities needs assessment that is monitored by the Facilities Manager and the Land and Facilities Management Committee. The School Board began after the close of the 2007 fiscal year its third phase of construction. The purpose of the first phase was to modernize and expand the three high schools. The second phase was to expand and modernize the middle and elementary schools. The third phase is to continue the modernization and expansion of all schools that was started during the first two construction phases.

Long-term Debt: The School Board had \$77.4 million in general obligation bonds payable on June 30, 2007 and it had a Debt Service Fund balance of \$20.2 million. A more detailed presentation of the refunding is presented in note IV. H, Long-Term Debt.

Net bonded debt went from 11.53% of total assessed property value to 10.71% in fiscal year 2007, while the legal debt margin expanded from \$135.5 million to \$140.6 million.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following table contains the summary for the 2008 Comprehensive Original Budget.

<i>DESCRIPTION</i>	<i>ORIGINAL BUDGET JUNE 30, 2008</i>	<i>GENERAL FUND</i>	<i>SPECIAL REVENUE FUNDS</i>	<i>DEBT SERVICE FUND</i>
Local Sources	\$53.8	\$36.4	\$8.7	\$8.7
State Sources	78.3	70.6	7.7	0.0
Federal Sources	16.1	0.2	15.9	0.0
Total Revenues	148.2	107.2	32.3	8.7
Instructional Services	81.4	68.6	12.8	0.0
Support Services	47.8	40.2	7.3	0.3
Food Service Programs	9.1	0.0	9.1	0.0
Community Service Programs	0.0	0.0	0.0	0.0
Facility Acquisition and Construction	1.9	0.0	1.9	0.0
Debt Service	7.2	0.4	0.0	6.8
Total Expenditures	147.4	109.2	31.1	7.1
OTHER FINANCING SOURCES (USES):	0.1	4.1	(4.0)	0.0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0.9	2.1	(2.8)	1.6
BEGINNING FUND BALANCE	44.8	15.2	9.5	20.1
ENDING FUND BALANCE	\$45.7	\$17.3	\$6.7	\$21.7

The 2008 Budget was prepared with a student count of 14,262 which is 203 students less than were used to construct the 2007 Budget. The economy is expected to generate the same level of revenues as it did in the 2007 fiscal year. State revenues have been increased as the Legislature continues to provide state funding for school board employees, especially for teachers.

The tax rates that will be effective in the 2007 fiscal year are as follows:

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

The rates in effect for fiscal year 2007 are the same as they were in fiscal year 2006.

REQUEST FOR INFORMATION

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

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

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STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Lafourche Parish School Board
Thibodaux, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Lafourche Parish School Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*; issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of June 30, 2007, and the respective changes in financial position and cash flows where applicable thereof and the respective budgetary comparison for the major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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MEMBERS: AICPA • LCPA

In accordance with *Government Auditing Standards*, we have also issued a report dated December 19, 2007 on our consideration of the Lafourche Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Supplemental Information Section and Statistical Section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and Statistical Section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Stagni & Company

Thibodaux, Louisiana
December 19, 2007



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD

Statement of Net Assets
For the Year Ended June 30, 2007

Statement A

(With comparative totals for the year ended June 30, 2006)

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	
	6/30/07	6/30/06
ASSETS		
Cash and cash equivalents	\$82,377,920	\$87,141,826
Cash with fiscal agents	52,916	63,230
Receivables (net of allowance for uncollectibles)	10,061,157	8,991,007
Due from agency fund	4,269,254	3,965,159
Prepaid Insurance	1,343,738	1,333,532
Inventory, at cost	333,559	350,999
Bond Issuance Cost (net of amortization)	606,388	652,466
Capital assets (net of accumulated depreciation)		
Land	1,644,602	1,647,179
Buildings and improvements	84,548,283	57,987,061
Equipment	3,245,865	2,875,850
Construction in progress	8,480,607	22,359,446
	\$196,964,289	\$187,367,755
LIABILITIES		
Accounts payable	\$2,035,003	\$4,770,771
Salaries and wages payable	13,398,651	12,870,936
Accrued employee benefits - estimated liability for claims outstanding	2,574,633	2,734,491
Intergovernmental payable	12,585	
Deposits subject to refund	478,071	510,481
Premiums on bonds sold (net of amortization)	852,146	931,416
Non-current Liabilities		
Due within one year	3,994,746	3,560,009
Due in more than one year	84,100,932	87,149,403
Total Liabilities	107,446,767	112,527,507
NET ASSETS		
Invested in capital assets, net of related debt	20,559,357	4,384,536
Restricted for:		
Debt service	20,245,927	18,477,654
Capital projects	18,899,242	27,988,699
Unrestricted	29,812,996	23,989,359
Total net assets	89,517,522	74,840,248
	\$196,964,289	\$187,367,755

See notes to the financial statements.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Activities
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

Statement B

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	
				6/30/07	6/30/06
<u>Instruction:</u>					
Regular programs	\$46,514,337		\$1,651,334	\$(44,863,003)	\$(39,633,733)
Special programs	17,116,933		2,984,137	(14,132,796)	(12,623,465)
Other programs	10,038,923		6,647,747	(3,391,176)	(2,875,544)
<u>Support services:</u>					
Pupil support	6,732,610		588,847	(6,143,763)	(4,845,707)
Instructional staff support	6,600,090		2,968,886	(3,631,204)	(3,673,894)
General administration	6,262,297		123,369	(6,138,928)	(4,769,921)
School administration	6,463,078		25,566	(6,437,512)	(5,441,004)
Business services	987,959		16,353	(971,606)	(1,307,288)
Operation and maintenance	10,714,864		17,068	(10,697,796)	(9,094,613)
Pupil transportation	6,704,044		628,483	(6,075,561)	(6,086,547)
Central services	1,473,666		35,218	(1,438,448)	(1,370,088)
Food service operations	7,921,517	\$1,427,781	4,033,875	(2,459,861)	(1,867,961)
Community service operations	38,666		2,923	(35,743)	(12,426)
Facilities acquisition and construction	104,824			(104,824)	(972,023)
<u>Debt service:</u>					
Interest and bank charges	3,822,577			(3,822,577)	(3,360,233)
Total governmental activities	131,496,385	1,427,781	19,723,806	(110,344,798)	(97,934,447)
General revenues:					
<u>Local sources:</u>					
Ad valorem taxes				19,733,100	18,710,358
Sales and use				28,198,767	24,702,120
Other				590,267	545,404
Rentals, leases, royalties				2,254,975	2,783,275
Earnings on investments				4,359,704	3,514,341
Other local				4,919,736	1,377,394
<u>State sources:</u>					
Grants not specific to programs				62,564,627	60,771,625
Revenue in lieu of taxes				406,253	406,045
Revenue for or on behalf of LEA				20,288	22,281
<u>Federal sources:</u>					
Grants not specific to programs				774,632	3,667,699
Revenue for/on behalf of LEA				312,796	425,415
<u>Other:</u>					
Insurance Proceeds from loss				954,586	591,575
Gain (loss) on disposal of capital assets				(67,659)	10,206
Total general revenues				125,022,072	117,527,738
Changes in net assets				14,677,274	19,593,291
Net Assets - beginning				74,840,248	55,246,957
Net Assets - ending				\$89,517,522	\$74,840,248

See notes to the financial statement.

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LAFOURCHE PARISH SCHOOL BOARD
 Balance Sheet: Governmental Funds
 For the Year Ended June 30, 2007
 (With comparative totals for the year ended June 30, 2006)

	GENERAL	CONSTRUCTION FUNDS	INDIVIDUALS WITH DISABILITIES EDUCATION ACT
Cash and cash equivalents	\$22,301,217	\$15,228,394	
Cash with fiscal agents			
Receivables	2,272,430	3,165,197	\$2,157,243
Interfund receivable	7,975,563		
Inventory, at cost			
TOTAL ASSETS AND OTHER DEBITS	\$32,549,210	\$18,393,591	\$2,157,243
 LIABILITIES AND FUND BALANCES			
<u>Liabilities:</u>			
Accounts payable	\$925,179	\$717,421	\$59,686
Salaries and wages payable	12,139,363		143,979
Interfund payable			1,953,578
Intergovernmental payable			
Deferred Revenues	124,195		
Total Liabilities	13,188,737	717,421	2,157,243
 Fund Balances			
Reserved for encumbrances	989,059		
Reserved for salaries	3,687,300		
Reserved for textbooks	302,593		
Reserved for technology			
Reserved for air-conditioning maintenance			
Reserved for school food service			
Reserved for debt service			
Reserved for capital projects		17,676,170	
Unreserved - reported in General Fund	14,381,521		
Total Equity and Other Credits	19,360,473	17,676,170	
TOTAL LIABILITIES AND FUND EQUITY	\$32,549,210	\$18,393,591	\$2,157,243

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

The unexpired portion of insurance is reported as an asset in governmental activities but the entire amount paid is included as an expenditure in the funds.

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

Internal Service funds are used by management to charge the cost of general liability, building and contents, auto/fleet, worker's compensation and group health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Net assets of governmental activities (Statement A)

See notes to the financial statement

Statement C

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/07	6/30/06
\$20,432,231	\$12,559,263	\$70,521,105	\$78,171,984
			26,856
3,140	2,358,027	9,956,037	8,953,453
		7,975,563	8,279,861
	333,559	333,559	350,999
\$20,435,371	\$15,250,849	\$88,786,264	\$95,783,153

\$300	\$315,114	\$2,017,700	\$4,733,772
	1,114,354	13,397,696	12,868,260
	1,752,731	3,706,309	4,314,702
	12,585	12,585	
189,144	164,732	478,071	510,481
189,444	3,359,516	19,612,361	22,427,215

		989,059	9,509,033
	1,983,848	5,671,148	4,752,893
		302,593	15,369
			7,586
	5,465,894	5,465,894	5,195,168
	3,218,519	3,218,519	3,906,925
20,245,927		20,245,927	18,477,654
	1,223,072	18,899,242	19,641,377
		14,381,521	11,849,933
20,245,927	11,891,333	69,173,903	73,355,938
\$20,435,371	\$15,250,849		

	1,235,798	
	97,919,357	84,869,536
	10,765,698	6,892,441
	(88,341,436)	(91,513,465)
	\$89,517,522	\$74,840,248

LAFOURCHE PARISH SCHOOL BOARD
Statement of Revenues, Expenditures, and Changes in
Fund Balances: Governmental Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	GENERAL	CONSTRUCTION FUNDS	INDIVIDUALS WITH DISABILITIES EDUCATION ACT
REVENUES			
<u>Local sources:</u>			
Taxes:			
Ad valorem	\$5,068,944		
Sales and use	28,198,767		
Other	590,267		
Rentals, leases, royalties	2,254,975		
Earnings on investments	1,172,971	\$1,116,081	
Food service collections			
Other local	1,743,543	3,165,197	
<u>State sources:</u>			
Unrestricted grants-in-aid	61,188,151		
Restricted grants-in-aid	2,662,055		
Revenue in lieu of taxes	406,253		
Revenue for or on behalf of LEA	20,288		
<u>Federal sources:</u>			
Unrestricted grants-in-aid - direct	1,407		
Restricted grants-in-aid - direct	965,148		
Restricted grants-in-aid - subgrants	1,456,471		\$4,267,844
Revenue for/on behalf of LEA			
Total revenues	105,729,240	4,281,278	4,267,844
EXPENDITURES			
<u>Instruction:</u>			
Regular programs	46,926,779	289,216	
Special programs	14,491,061		2,907,675
Other programs	4,979,387	1,692	
<u>Support services:</u>			
Pupil support	6,308,260		460,127
Instructional staff support	5,017,977		508,949
General administration	2,276,304		
School administration	6,517,578	9,689	
Business services	1,031,421		
Operation and maintenance	8,764,008		
Pupil transportation	6,722,369		164,063
Central services	1,500,279		35,218
Food service operations	149,442		
Community service operations	16,509	22,160	
Facilities acquisition and construction	4,203	13,897,623	
See notes to the financial statements.			

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/07	6/30/06
\$7,837,896	\$6,826,260	\$19,733,100	\$18,710,358
		28,198,767	24,702,120
		590,267	545,404
		2,254,975	2,783,275
978,329	623,063	3,890,444	3,227,318
	1,427,781	1,427,781	1,255,491
	10,996	4,919,736	1,377,394
	1,376,476	62,564,627	60,771,625
		2,662,055	3,496,281
		406,253	406,045
		20,288	22,281
		1,407	3,007
	118,008	1,083,156	493,701
	11,027,505	16,751,820	18,491,817
	312,796	312,796	425,415
8,816,225	21,722,885	144,817,472	136,711,532
	75,826	47,291,821	43,174,996
		17,398,736	15,267,921
	5,179,204	10,160,283	9,257,761
		6,768,387	5,732,759
	1,124,331	6,651,257	5,809,496
251,608	338,968	2,866,880	1,903,923
	10,794	6,538,061	5,537,952
	13,773	1,045,194	1,360,362
	2,671,666	11,435,674	11,006,112
	5,146	6,891,578	6,664,756
	10,091	1,545,588	1,443,728
	8,011,717	8,161,159	7,058,529
		38,669	12,426
	1,695,434	15,597,260	18,726,389

LAFOURCHE PARISH SCHOOL BOARD
Statement of Revenues, Expenditures, and Changes in
Fund Balances: Governmental Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	GENERAL FUND	CONSTRUCTION FUNDS	INDIVIDUALS WITH DISABILITIES EDUCATION ACT
<u>Debt service:</u>			
Principal retirement	108,913		
Interest and bank charges	184,425		
Total expenditures	104,998,915	14,220,380	4,076,032
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	730,325	(9,939,102)	191,812
<u>OTHER FINANCING SOURCES (Uses) REVENUES</u>			
Transfers in (out)	3,458,349		(191,812)
Sales of fixed assets	25,727		
Proceeds of certificates of indebtedness			
Insurance Proceeds from Loss			
Total other financing sources (uses)	3,484,076	NONE	(191,812)
<u>NET CHANGES IN FUND BALANCES</u>	4,214,401	(9,939,102)	
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	15,146,072	27,615,272	0
<u>FUND BALANCES AT END OF YEAR</u>	\$19,360,473	\$17,676,170	\$0

See notes to the financial statement

DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
		6/30/07	6/30/06
3,125,000		3,233,913	3,224,348
3,671,344		3,855,769	3,392,385
7,047,952	19,136,950	149,480,229	139,573,843
1,768,273	2,585,935	(4,662,757)	(2,862,311)
	(3,766,537)	(500,000)	
	409	26,136	1,267
	954,586	954,586	4,384,724
			591,575
NONE	(2,811,542)	480,722	4,977,566
1,768,273	(225,607)	(4,182,035)	2,115,255
18,477,654	12,116,940	73,355,938	71,240,683
\$20,245,927	\$11,891,333	\$69,173,903	\$73,355,938

LAFOURCHE PARISH SCHOOL BOARD
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds to the
 Statement of Activities
 For the Year Ended June 30, 2007
 (With comparative totals for the year ended June 30, 2006)

Statement E

	6/30/07	6/30/06
Amounts reported for governmental activities in the statement of activities (Statement B) are different because:		
Net change in fund balances - total governmental funds (Statement D)	(\$4,182,035)	\$2,115,255
The unexpired portion of insurance is reported as an asset in governmental activities but the entire amount paid is included as an expenditure in the funds.		\$466,045
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	13,049,821	16,626,655
The issuance of long-term debt (e. g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar item when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,646,926	(619,616)
Internal service funds are used by management to charge the costs of general liability, building and contents, auto/fleet, worker's compensation and group health insurance to individual funds. The revenues and expenditures of the internal service funds are included in governmental activities in the statement activities.	3,162,562	1,004,952
Changes in net assets of governmental activities (Statement B)	\$14,677,274	\$19,593,291

See notes to the financial statement.

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LAFOURCHE PARISH SCHOOL BOARD
 Budget Comparison Statements - Major Funds
 For the Year Ended June 30, 2007

	GENERAL FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
REVENUES			
<u>Local sources:</u>			
Taxes:			
Ad valorem	\$4,775,200	\$5,024,900	\$5,068,944
Sales and use	22,500,000	26,300,000	28,198,767
Other	536,000	570,700	590,267
Rentals, leases, royalties	2,100,000	1,900,000	2,254,975
Earnings on investments	564,700	1,184,600	1,172,971
Food service collections			
Other local	1,401,000	1,529,100	1,743,543
<u>State sources:</u>			
Unrestricted grants-in-aid	60,497,900	61,188,200	61,188,151
Restricted grants-in-aid	2,421,400	2,471,800	2,662,055
Revenue in lieu of taxes	402,500	406,300	406,253
Revenue for or on behalf of LEA	18,300	20,300	20,288
<u>Federal sources:</u>			
Unrestricted grants-in-aid - direct	3,000	3,000	1,407
Restricted grants-in-aid - direct	999,000	1,006,300	965,148
Restricted grants-in-aid - subgrants	1,409,300	1,750,800	1,456,471
Revenue for/on behalf of LEA			
Total revenues	97,628,300	103,356,000	105,729,240
EXPENDITURES			
<u>Instruction:</u>			
Regular programs	44,108,300	47,306,970	46,926,779
Special programs	14,642,400	14,618,246	14,491,061
Other programs	4,093,000	4,866,656	4,979,387
<u>Support services:</u>			
Pupil support	5,988,000	6,560,800	6,308,260
Instructional staff support	4,828,800	5,166,600	5,017,977
General administration	1,771,500	2,139,800	2,276,304
School administration	5,968,200	6,451,250	6,517,578

See notes to the financial statement.

INDIVIDUAL WITH DISABILITIES EDUCATION ACT			DEBT SERVICE		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
			\$7,384,400	\$7,772,300	\$7,837,896
			694,000	950,000	978,329
4,468,424	4,656,806	4,267,844			
4,468,424	4,656,806	4,267,844	8,078,400	8,722,300	8,816,225
2,777,115	2,965,974	2,907,675			
644,836	644,836	460,127			
673,342	673,342	508,949	237,300	252,500	251,608

LAFOURCHE PARISH SCHOOL BOARD
 Budget Comparison Statements - Major Funds
 For the Year Ended June 30, 2007

	GENERAL FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
Business services	1,162,800	1,206,900	1,031,421
Operation and maintenance	8,985,200	9,638,400	8,764,008
Pupil transportation	6,686,400	6,980,799	6,722,369
Central services	1,362,900	1,481,900	1,500,279
Food service operations	21,800	161,200	149,442
Community service operations	15,900	20,612	16,509
Facilities acquisition and construction	12,000	12,000	4,203
<u>Debt service:</u>			
Principal retirement	282,200	184,400	108,913
Interest and bank charges	179,000	108,900	184,425
Bond refunding cost			
Total expenditures	100,108,400	106,905,433	104,998,915
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	 (2,480,100)	 (3,549,433)	 730,325
 <u>OTHER FINANCING SOURCES (Uses)</u>			
Transfers in (out)	4,101,462	3,651,354	3,458,349
Sales of fixed assets			25,727
Proceeds of bond sale			
Proceeds of certificates of indebtedness			
Insurance Proceeds from Loss			
Payments to refunded bond escrow agent			
Accrued Interest and Premiums			
Total other financing sources (uses)	4,101,462	3,651,354	3,484,076
 <u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	 1,621,362	 101,921	 4,214,401
 <u>FUND BALANCES AT BEGINNING OF YEAR</u>	 10,334,556	 15,146,072	 15,146,072
 <u>FUND BALANCES AT END OF YEAR</u>	 \$11,955,918	 \$15,247,993	 \$19,360,473

See notes to the financial statement.

INDIVIDUAL WITH DISABILITIES EDUCATION ACT			DEBT SERVICE		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
8,000	8,000				
126,651	126,651	164,063			
37,823	37,823	35,218			
			3,125,000	3,125,000	3,125,000
			3,672,900	3,672,900	3,671,344
4,267,767	4,456,626	4,076,032	7,035,200	7,050,400	7,047,952
200,657	200,180	191,812	1,043,200	1,671,900	1,768,273
(200,657)	(200,180)	(191,812)			
\$(200,657)	\$(200,180)	(191,812)	\$NONE	\$NONE	\$NONE
			1,043,200	1,671,900	1,768,273
0	0	0	18,373,640	18,477,654	18,477,654
\$0	\$0	\$0	\$19,416,840	\$20,149,554	\$20,245,927

LAFOURCHE PARISH SCHOOL BOARD
Statement of Net Assets: Proprietary Fund Type: Internal Service Funds Statement G
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	GROUP	LOSS	WORKER'S	TOTAL INTERNAL SERVICE	
	HEALTH	CONTROL	COMPENSATION	06/30/07	06/30/06
	INSURANCE				
ASSETS					
Cash and cash equivalents	\$5,763,168	\$433,265	\$5,660,382	\$11,856,815	\$8,969,842
Cash with fiscal agents		25,510	27,406	52,916	36,374
Receivables	105,120			105,120	37,554
Prepaid Insurance	102,601	1,241,137		1,343,738	97,734
TOTAL CURRENT ASSETS	\$5,970,889	\$1,699,912	\$5,687,788	\$13,358,589	\$9,141,504
LIABILITIES					
Current Liabilities:					
Accounts payable	\$12,842	\$40	\$4,421	\$17,303	\$36,999
Salaries and wages payable			955	955	\$2,676
Accrued employee benefits - estimated liability for claims outstanding	1,648,958	281,854	643,821	2,574,633	2,209,388
Total Liabilities	1,661,800	281,894	649,197	2,592,891	2,249,063
NET ASSETS					
Restricted for group health insurance	4,309,089			4,309,089	2,445,557
Restricted for property losses		1,418,018		1,418,018	
Restricted for worker's compensation			5,038,591	5,038,591	4,446,884
Total Equity and Other Credits	4,309,089	1,418,018	5,038,591	10,765,698	6,892,441
TOTAL LIABILITIES AND NET ASSETS	\$5,970,889	\$1,699,912	\$5,687,788	\$13,358,589	\$9,141,504

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Revenues, Expenses, and Changes in
Net Assets: Proprietary Fund Type: Internal Service Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

Statement H

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL INTERNAL SERVICE FUNDS	
				06/30/07	06/30/06
OPERATING REVENUES					
Intergovernmental: Insurance premium billings	\$14,969,634	\$2,058,664	\$999,685	\$18,027,983	\$13,135,958
Pharmacy Rebates	170,791			170,791	180,788
Total operating Revenues	15,140,425	2,058,664	999,685	18,198,774	13,316,746
OPERATING EXPENSES					
Claims expense	11,583,399	135,649	393,949	12,112,997	10,527,941
Reinsurance and administrative fees	1,879,804	1,722,042	295,634	3,897,480	2,070,876
Total operating Expenses	13,463,203	1,857,691	689,583	16,010,477	12,598,817
NON-OPERATING REVENUES					
Interest	186,310	1,345	281,605	469,260	287,023
Insurance Proceeds from loss		5,005		5,005	
Transfers in (out)		500,000		500,000	
Total Non-operating revenues	186,310	506,350	281,605	974,265	287,023
CHANGES IN NET ASSETS	1,863,532	707,323	591,707	3,162,562	1,004,952
Prior period adjustment		710,695		710,695	
NET ASSETS AT BEGINNING OF YEAR	2,445,557		4,446,884	6,892,441	5,887,489
NET ASSETS AT END OF YEAR	\$4,309,089	\$1,418,018	\$5,038,591	\$10,765,698	\$6,892,441

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Cash Flows: Proprietary Fund Type: Internal Service Funds Statement I
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	GROUP HEALTH INSURANCE	LOSS CONTROL	WORKER'S COMPENSATION	TOTAL INTERNAL SERVICE FUNDS	
				06/30/07	06/30/06
<u>CASH FLOWS NON-CAPITAL FINANCING ACTIVITIES</u>					
Premiums collected, received or recovered	\$14,539,302	\$2,058,664	\$999,685	\$17,597,651	\$13,914,824
Pharmacy Rebates	170,791			170,791	81,398
Retiree Drug Subsidy	430,331			430,331	
Claim expenses paid	(13,208,269)	(2,106,239)	(955,015)	(16,269,523)	(12,839,368)
Cash provided (used) by non-capital financing activities	1,932,155	(47,575)	44,670	1,929,250	1,156,854
<u>CASH FLOWS FROM INVESTING AND OTHER ACTIVITIES</u>					
Interest Income	186,310	1,345	281,605	469,260	386,413
Insurance Proceeds from loss		5,005		5,005	
Transfers in (out)		500,000		500,000	
Cash provided from investing and other activities	186,310	506,350	281,605	974,265	386,413
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	2,118,465	458,775	326,275	2,903,515	1,543,267
CASH BALANCE AT BEGINNING OF YEAR	3,644,703		5,361,513	9,006,216	7,462,949
CASH BALANCE AT END OF YEAR	\$5,763,168	\$458,775	\$5,687,788	\$11,909,731	\$9,006,216

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Net Assets: Fiduciary Fund Types
For the Year Ended June 30, 2007

Statement J

(With comparative totals for the year ended June 30, 2006)

	AGENCY FUND		TOTAL FIDUCIARY	
	SCHOOL ACTIVITY	SALES TAX	FUNDS	
			06/30/07	06/30/06
ASSETS				
Cash and cash equivalents	\$3,874,920	\$1,794,532	\$5,669,452	\$5,299,373
Receivables (net of allowances for uncollectibles)	43,392	6,509,256	6,552,648	5,650,952
TOTAL ASSETS	\$3,918,312	\$8,303,788	\$12,222,100	\$10,950,325
LIABILITIES				
Accounts payable		\$28,330	\$28,330	\$64,644
Salaries and wages payable		2,646	2,646	2,215
Held in trust for other funds		4,269,254	4,269,254	3,965,159
Held in trust for others	3,918,312	3,818,246	7,736,558	6,732,995
Deposits subject to refund		185,312	185,312	185,312
TOTAL LIABILITIES	\$3,918,312	\$8,303,788	\$12,222,100	\$10,950,325

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Statement of Changes Net Assets: Fiduciary Fund Type
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

Statement K

	FIDUCIARY FUND SALES TAX FUND	
	06/30/07	06/30/06
<u>ADDITIONS</u>		
Collections of sales tax	\$66,339,700	\$55,790,954
Fees received for tax collection	294,069	256,846
Interest on Investments	13,231	9,987
TOTAL ADDITIONS	\$66,647,000	\$56,057,787
<u>DEDUCTIONS</u>		
Remittance of taxes collected	63,991,214	55,296,580
Refunds of taxes collected	984,458	864,196
Fees paid for tax collection	294,069	256,846
Expenses of tax collection	317,741	309,422
TOTAL DEDUCTIONS	\$65,587,482	\$56,727,044
CHANGE IN NET ASSETS HELD IN TRUST	1,059,518	(669,257)
Net Assets Held in Trust - beginning	7,027,982	7,697,239
Net Assets Held in Trust - ending	\$8,087,500	\$7,027,982

See notes to the financial statement.

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Financial Statements
June 30, 2007

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The School Board operates 28 schools within the parish with a total enrollment of 15,222 pupils for the year. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

A. REPORTING ENTITY

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

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function

or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

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

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

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

The Lafourche Parish School Board reports the following governmental funds:

MAJOR

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

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

Special Revenue Fund – Individuals with Disabilities Education Act – is a federal financed program of free education in the least restricted environment to children with exceptionalities.

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

NON-MAJOR

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

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

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

FIDUCIARY FUNDS: Agency funds are used to account for the activities of the individual schools and for the collection of sales and use taxes, which are held for several other governmental agencies and the General Fund. Agency funds are a fiduciary fund type, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

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

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

D. ASSETS, LIABILITIES, AND NET ASSETS

1. Deposits and Investments

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

2. Receivables and Payables

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

3. Inventories and Prepaid Items

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

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

4. Capital Assets

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

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

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

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

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

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

5. Compensated Absences

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

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

provide for the grandfathering in of any accumulation prior to July 1, 2004 that exceeded 25 days.

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

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

6. Long-term Obligations

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

7. Equity Classifications

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

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

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

The details of this difference are as follows:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
General obligation bonds Payable	\$77,360,000	\$80,485,000
Certificates of Indebtedness	3,810,000	3,810,000
Capital Leases	376,464	485,376
Unamortized bond cost	(606,388)	(652,466)
Premiums on bonds sold (net of amortization)	852,146	931,416
Compensated absences	6,549,214	5,929,036
Accrued employee benefits - estimated liability for claims outstanding		525,103
Total long-term liabilities	<u>\$88,341,436</u>	<u>\$91,513,465</u>

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

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

The details of this difference are as follows:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Capital outlay	\$15,801,454	\$19,053,347
Depreciation Expense	2,751,633	2,426,692
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$13,049,821</u>	<u>\$16,626,655</u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

At the August meeting of the School Board, the superintendent submits a consolidated budget prepared on the modified accrual basis of accounting to the School Board, so they can review it before public inspection. The budget contains the estimate of revenues and proposed expenditures for the General, Special Revenue, and Debt Service funds. The school board is not required, and does not prepare annual budgets for the Capital Projects Funds.

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

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

B. ENCUMBRANCES

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

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

C. RESERVED AND DESIGNATED RETAINED EARNINGS/FUND BALANCES

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

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

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

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

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

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

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

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

The reserve for capital projects includes the unexpended proceeds for general obligation debt included in the 2003 Construction Fund, and the unexpended insurance proceeds included in the Hurricane Recovery Fund.

D. SALES AND USE TAXES

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

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

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

AGENCY	TAX RATE	FEE	WHERE
Lafourche Parish Sheriff	1.0%	.9%	unincorporated areas of the parish
Lafourche Parish Council	.7%	.9%	unincorporated areas of the parish
Lafourche Parish Council Road District #2	1.0%	.9%	within boundaries of Special Road District #2
Lafourche Parish Council Road District #3	1.0%	.9%	within boundaries of Special Road District #3
Lafourche Parish Council Road District #5	1.0%	.9%	within boundaries of Special Road District #5
Lafourche Parish Council Road District #6	1.0%	.9%	within boundaries of Special Road District #6
Town of Golden Meadow	1.0%	.9%	corporate limits
Lafourche Parish Tourist Commission	3.0%	.9%	all hotels/motels
Town of Lockport	1.3%	.9%	corporate limits
City of Thibodaux	2.0%	.9%	corporate limits
South Lafourche Levee District	1.0%	.9%	within boundaries of Special Levee District

E. LEVIED TAXES

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

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

	AUTHORIZED	LEVIED	EXPIRATION
TYPE	RATE	RATE	DATE
Constitutional	3.93 Mills	3.63 Mills	None
Regular Maintenance	7.49 Mills	7.49 Mills	January 2009
Salary Supplement	7.49 Mills	7.49 Mills	January 2009
Air Condition Maintenance	7.49 Mills	7.49 Mills	January 2010
Bond and interest	17.20 Mills	17.20 Mills	None
TOTAL	43.60 Mills	43.630 Mills	

IV. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

On June 30, 2007, the School Board had cash and cash equivalents as follows:

	Book Balance	
	6/30/2007	6/30/2006
Cash on hand and in demand deposits	\$14,791,873	\$17,684,157
LAMP	\$72,884,011	\$74,189,724
Time Deposits	\$371,488	\$567,317
Total Cash Equivalents	\$88,047,372	\$92,441,198

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledged securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2007, the School Board had \$17,236,788 in deposits (collected bank balances). These deposits are secured from risk by \$490,878 in federal deposit insurance and \$21,206,506 in pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). Custodial credit risk is the risk that in the event of a bank failure, the school board's deposits may not be returned to it. The school board does not have a deposit policy for custodial credit risk. As of June 30, 2007, \$16,745,910 of the school board's bank balance of \$17,236,788 was exposed to custodial credit risk.

Included in cash and cash equivalents is a pooled cash account totaling \$11,684,933. The funds and amounts per fund included in the pooled cash account are as follows:

FUNDS	AMOUNTS
General	\$3,619,070
2003 Construction	486,192
Non Major:	
Seimens Construction	207,018
Air Conditioning Maintenance	228,783
Hurricane Recovery	1,027,078
Salary Supplement	346,029
Internal Service	
Workers Compensation	846,733
Group Health Insurance	3,016,684
Loss Control Fund	433,265
Agency:	
Sales Tax	1,474,080
Total	\$11,684,933

The School Board had \$72,884,011 invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of June 30, 2007 is not categorized in the three risk categories provided by GASB Codification 150.164, because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana, formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana

CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Due to this immediate access feature, investments in LAMP are considered cash equivalents by the School Board.

B. RECEIVABLES

The receivables at June 30, 2007, are as follows:

CLASS OF RECEIVABLES	GENERAL FUND	INDIVIDUALS WITH DISABILITIES EDUCATION ACT	CONSTRUCTION FUNDS	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL	AGENCY FUNDS	PROPRIETARY FUNDS
Sales Tax							\$6,509,256	
Property Tax	\$2,084			3,140	\$2,734	\$7,958		
Oil Royalties	\$225,134					\$225,134		
E-rate	15,253		3,165,197			\$3,180,450		
Medicaid	32,896					\$32,896		
Intergovernmental - Grants								
Federal	793,287	2,157,243			2,355,293	\$5,305,821		
State	1,157,073					\$1,157,073		
Other	46,705					\$46,705	43,392	105,120
TOTAL	\$2,272,430	\$2,157,243	\$3,165,197	\$3,140	\$2,358,027	\$9,956,037	\$6,552,648	\$105,120

C. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2007 was as follows:

	BALANCE AT BEGINNING OF YEAR	ADDITIONS	REDUCTIONS	ACCUMULATED DEPRECIATION	NET BALANCE
Land	\$1,647,178		\$2,576		\$1,644,602
Buildings and Improvements	87,587,789	29,526,511	\$111,207	\$32,454,810	84,548,283
Furniture and Equipment	10,715,439	1,009,141	741,576	\$7,737,139	3,245,865
Construction in Progress	22,359,446	15,621,339	29,500,178	0	8,480,607
Total	\$122,309,852	\$46,156,991	\$30,355,537	\$40,191,949	\$97,919,357

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

	PRIOR	CURRENT EXPENSE	REDUCTIONS	ACCUMULATION
Buildings and Improvements	\$29,600,728	\$2,965,289	111,207	\$32,454,810
Furniture and Equipment	7,839,589	547,912	\$650,362	7,737,139
Total	\$37,440,317	\$3,513,201	\$761,569	\$40,191,949

CONSTRUCTION COMMITMENTS The Lafourche Parish School Board has active construction projects as of June 30, 2007. The projects cover new construction and renovations at the schools expended through the 2003 Construction Fund, and other such projects expended through the General and Air Conditioning Maintenance Funds. At year-end, the School Board's commitments to the contractors were as follows:

PROJECT	CONTRACT PRICE	COST TO DATE EXPENDED	BALANCE
Replacement of HVAC infrastructure	\$2,320,816	\$2,087,957	\$232,859
Canopy Construction	13,698	8,997	\$4,701
Classroom Construction and Renovation	4,369,301	4,201,150	\$168,151
General Renovations	962,754	637,616	\$325,138
Electrical Improvements	629,338	288,967	\$340,371
Technology Infrastructure	53,887	47,011	\$6,876
Roof Replacement	1,696,468	1,609,359	\$87,109
Total	\$10,046,262	\$8,881,057	\$1,165,205

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual receivable/payable balances at June 30, 2007 are as follows:

RECEIVABLE FUND	PAYABLE FUND	AMOUNT
General Fund	No Child Left Behind Act: Title I	\$1,041,978
General Fund	No Child Left Behind Act: Title II	106,516
General Fund	No Child Left Behind Act: Title IV V	30,605
General Fund	Individuals with Disabilities Act	1,953,578
General Fund	Indian	11,125
General Fund	Salary Supplement	552,047
General Fund	Sales Tax	4,269,254
General Fund	Child Nutrition	10,460
	TOTAL	\$7,975,563

Interfund transfers made during the year ended June 30, 2007 are as follows:

TRANSFERRED IN	TRANSFERRED OUT	AMOUNT
General	Hurricane Recovery	\$252
General	No Child Left Behind Act: Title I	255,248
General	No Child Left Behind Act: Title II	55,900
General	No Child Left Behind Act: Title IV and VI	5,784
General	Individuals with Disabilities Act	191,811
General	Indian Education Act	5,499
General	Salary Supplement	3,444,358
Loss Control Fund	General	500,000
	TOTAL	\$4,458,852

E. COMPENSATED ABSENCES

At June 30, 2007, employees of the School Board have accumulated and vested \$6,549,214 of employee leave benefits, which was computed in accordance with GASB Codification C60. The total amount paid during the fiscal year amounted to \$294,803. The liability for leave privileges not requiring current resources is recorded as long-term debt in the government-wide financial statements.

F. CERTIFICATES OF INDEBTEDNESS

The School Board issued \$3.8 million of Certificates of Indebtedness on February 1, 2006. The purpose of the debt is to pay for the cost of energy efficiency building improvements that are subject to the performance contract between the School Board and Seimens Building Technologies, Inc. The following table is the payment schedule:

YEAR	PRINCIPAL	INTEREST	TOTAL
2008	\$95,000	\$166,208	\$261,208
2009	110,000	162,313	272,313
2010	120,000	157,748	277,748
2011	190,000	152,708	342,708
2012	210,000	144,728	354,728
2013-2017	1,415,000	568,245	1,983,245
2018-2021	1,670,000	194,333	1,864,333
	\$3,810,000	\$1,546,283	\$5,356,283

G. CAPITAL LEASE

The School Board entered into a capital lease in the amount of \$407,933 with Key Government Financial for the purpose of acquiring a Libra 972 system to upgrade the Unisys mainframe computer and to pay off the certificates of indebtedness that remained after the prior upgrade. The following table is the payment schedule under the terms of the lease:

YEAR	PRINCIPAL	INTEREST	TOTAL
2008	\$113,554	\$13,577	\$127,131
2009	118,393	8,738	127,131
2010	123,437	3,694	127,131
2011	21,079	110	21,189
	\$376,463	\$26,119	\$402,582

H. LONG-TERM DEBT

The School Board issues general obligation bonds to provide funds for the acquisition, construction or renovation of major capital facilities. The remaining amount issued for the bond issues outstanding at June 30 is \$77,360,000.

The balances of the outstanding issues are as follows:

ISSUE DATE	ORIGINAL ISSUE	INTEREST RATE	INTEREST TO MATURITY	PRINCIPAL OUTSTANDING
June 1, 1997	\$10,000,000	4.10-8.00%	\$0	\$0
February 1, 1998	25,000,000	4.45-8.00%	53,130	1,155,000
August 1, 1999	7,910,000	4.70-7.00%	2,305,998	6,785,000
November 6, 2003	10,000,000	4.00-6.00%	5,199,833	9,325,000
June 1, 2004	20,000,000	3.00-5.00%	11,629,226	18,745,000
April 12, 2005	22,300,000	3.25-5.00%	6,835,738	22,190,000
May 4, 2005	20,000,000	4.00-7.00%	11,955,246	19,160,000
TOTAL	\$115,210,000		\$37,979,171	\$77,360,000

General obligation bonds are direct obligations with the principal and interest requirements funded in accordance with Louisiana law by the annual ad- valorem tax assessment on taxable property within the parish. Bond principal and interest payable in the next fiscal year is \$3,295,000 and \$3,501,648, respectively. At June 30, 2007, the School Board had accumulated \$20,245,927 in the debt service fund for future debt requirements. The bonds are due, by year as follows:

YEAR	PRINCIPAL	INTEREST	Total
2008	\$3,295,000	\$3,501,648	\$6,796,648
2009	3,470,000	3,335,693	6,805,693
2010	3,635,000	3,181,200	6,816,200
2011	3,815,000	3,020,245	6,835,245
2012	4,005,000	2,853,940	6,858,940
2013-2017	23,445,000	11,333,305	34,778,305
2018-2022	14,265,000	6,501,201	20,766,201
2023-2027	14,085,000	3,668,446	17,753,446
2028-2030	7,345,000	583,493	7,928,493
	\$77,360,000	\$37,979,171	\$115,339,171

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2007, the legal debt margin was \$135,435,429 and outstanding bonded debt totaled \$77,360,000.

The following is a summary of the long-term debt transactions for the year ended June 30, 2007:

DESCRIPTION	BONDED DEBT	CERTIFICATES OF INDEBTEDNESS	CAPITAL LEASES	COMPENSATED ABSENCES	TOTAL
Long-term obligations at July 1, 2006	\$80,485,000	\$3,810,000	\$485,376	\$5,929,035	\$90,709,411
Additions		0	0	914,982	914,982
Deductions	3,125,000	0	108,913	294,803	3,528,716
Long-term obligations at June 30, 2007	\$77,360,000	\$3,810,000	\$376,463	\$6,549,214	\$88,095,678
Due within one year	\$3,295,000	\$95,000	\$113,554	\$491,191	\$3,994,746
Due in more than one year	\$74,065,000	\$3,715,000	\$262,909	\$6,058,023	\$84,100,932

V. OTHER INFORMATION

A. RISK MANAGEMENT

The School Board was also exposed to various risks of loss related to personal injury to students and other individuals (not employees). Under the current program, the Loss Control Fund was responsible for a maximum of \$150,000 for each loss. The School Board purchased commercial insurance for claims in excess of \$150,000 that has a \$1 million per occurrence limit and a \$2 million aggregate limit. Also, the School Board has retained a third-party administrator to supervise, evaluate and administer claims, and provide loss prevention services. The School Board is exposed to various risks of loss related to theft of, damage to and destruction of buildings and related contents. Under the current program, the Loss Control Fund provides coverage up to a maximum \$250,000 (or 2% of claim) for each loss to its buildings due to wind and hail (named storm), and \$250,000 for all other building perils. The School Board purchases commercial insurance for claims in excess of coverage provided by the Loss Control Fund. The Prior Period Adjustment was the net of prepaid insurance and estimated claims outstanding as of July 1, 2007 which was included only in the government wide statements prior to the establishment of this fund. The purpose was to remove the property and casualty claims cost from the General Fund so that they can be easily highlighted and to remove from the General Fund unnecessary volatility.

The School Board was exposed to various risks of loss related to providing medical and indemnity payments as required by law for on-the-job related injuries. To account for and finance its uninsured risks of loss, the School Board has established a Workers' Compensation Fund (an internal service fund). Under this program, the Workers' Compensation Fund is responsible for \$300,000 of each workers compensation claim and has a \$1 million limit for each workers compensation claim. Also, the School Board has retained a third-party administrator to supervise, evaluate and administer claims, and provide loss prevention services. All funds that pay salaries participated in the program and made payments to the fund based on management's estimates of the

amounts needed to pay prior and current year claims. These interfund “premiums” are reported as quasi-external transactions.

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

At June 30, 2007, the outstanding claims liability accruing to the Loss Control, Worker's Compensation and Group Health Insurance Funds was \$3 million. The estimated claim liability has been determined by the third-party administrator based on historical information and anticipated payments. These liabilities are based on the requirements of Governmental Accounting Standards Board Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues” which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable and the amount of the loss can be reasonably estimated.

The following table shows the changes in this liability for June 30, 2007:

	Loss Control Fund	Worker's Compensation Fund	Group Insurance Fund	Total
Balance July 1	\$525,102	\$878,537	\$1,330,852	\$2,734,491
Current year claims and estimates	136,096	376,884	11,583,399	12,096,379
Less: Claim payments	379,344	611,600	11,265,293	12,256,237
Balance June 30	\$281,854	\$643,821	\$1,648,958	\$2,574,633

The School Board is self-funded for unemployment claims filed with the State. The claims are accounted for on the cash basis in the fund in which the original salary was paid. The School Board paid \$9,500 to the State for benefits claimed during the year ended June 30, 2007. The School Board retains a third-party administrator to supervise, evaluate and administer claims.

B. CONTINGENT LIABILITIES

The Lafourche Parish School Board received funding under grants from various federal and state governmental agencies. These grants specify the purpose for which the grant monies are to be used and such grants are subject to audit by the granting agency or its

representative. If the grant monies received are not expended, the Lafourche Parish School Board may be required to reimburse the granting agency.

At June 30, 2007, the School Board was involved in several lawsuits. In the opinion of legal counsel for the School Board, the potential claims against the School Board, not covered by insurance, would not materially affect the financial statements.

C. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Lafourche Parish School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the Group Health Insurance Fund whose monthly premiums are paid jointly by the employee or retiree and by the School Board.

The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure when the monthly premiums are due. The cost in 2007 was \$2.9 million for retirees. The School Board's group plan enrollment at the end of the year included 957 retirees.

D. EMPLOYEE RETIREMENT SYSTEMS

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

1. Teachers' Retirement System of Louisiana (TRS)

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

Funding Policy. Plan members are required to contribute 8.0 percent and 9.1 percent of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.8 percent of annual covered payroll for the two membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public

Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board and employees' contributions to the TRS for the years ending June 30, 2007, 2006, and 2005 were \$15,674,517, \$13,637,159, and \$14,224,768.

2. Louisiana School Employees Retirement System (LSERS)

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

Funding Policy. Plan members are required to contribute 7.5 percent of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 19.6% percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employee contribution for the LSERS, is funded by the State of Louisiana through annual appropriations.

The School Board and employees' contributions to the LSERS for the years ending June 30, 2007, 2006, and 2005 were \$1,603,270, \$1,318,056, and \$1,127,334.

3. On-behalf Payments for Fringe Benefits and Salaries

The State of Louisiana contributes directly to the Teachers' Retirement System of Louisiana an amount equal to the employer portion of retirement due on the Professional Improvement Program (PIP) salary increments paid to the School Board's personnel. The School Board recognizes the amount contributed as a revenue and expenditure in the General Fund. The amount recognized in 2007 was \$20,288.

E. SUBSEQUENT EVENTS

The voters of Lafourche approved a \$48.8 million bond referendum on July 21, 2007 by a vote of 1,759 for at 826 against. The board approved the sale of the first \$10 million of bonds from this authorization on September 5, 2007 and received the proceeds on October 25, 2007. The bonds were sold to Morgan Keegan & Company, Inc. for an average annual interest rate of 4.24%.

The Lafourche Parish School Board entered into a contract for Energy Conservation Equipment and Consulting Services on October 5, 2005 with Siemens Building Technologies, Inc. for the purpose of the sale and installation of energy saving equipment, monitoring, maintenance and service designed to save energy and reduce costs for certain property and buildings. The original contract amount was for \$3,087,457 and an amendment was added for football stadium lighting in the amount of \$494,297 in December of 2005.

The performance commencement date begins after the equipment is installed and operating. The final payment for the equipment was made at the end of April 2007. The performance term of the agreement will continue for 14 years. Throughout the term of the agreement the fee for monitoring, maintenance and service will be \$143,203 per year plus 3% escalation each year for a total for the term of \$1,762,006.

As discussed in Note IV-H the Lafourche Parish School Board incurred Certificates of Indebtedness of \$3,810,000 to be repaid over 15 years to fund the purchase. The interest cost associated with the Certificates of Indebtedness is \$1,712,487.

Subsequent to the performance commencement date and throughout the term of the agreement the company guarantees to the level of Annual Projected Energy and Cost Savings totaling \$5,281,503 and provides for stipulated savings of \$2,055,419.

LAFOURCHE PARISH SCHOOL BOARD
Supplemental Information Schedules
June 30, 2007

CONSTRUCTION FUNDS

SEIMENS CONSTRUCTION FUND

The School Board sold certificates of indebtedness on February 1, 2006 in the amount of \$3.8 million. The proceeds of the sale are to be used to fund energy efficient improvements to the buildings owned by the School Board. The improvements are made in conjunction with the energy performance contract signed with Seimens Building Technologies, Inc.

2003 CONSTRUCTION FUND

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

LAFOURCHE PARISH SCHOOL BOARD
 Combining Balance Sheet: Construction Funds
 For the Year Ended June 30, 2007
 (With comparative totals for the year ended June 30, 2006)

Schedule 1

	SEIMENS CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER CONSTRUCTION FUNDS	
			6/30/07	6/30/06
ASSETS				
Cash and cash equivalents	\$207,018	\$15,021,376	\$15,228,394	\$30,126,321
Accounts Receivable		\$3,165,197	\$3,165,197	
TOTAL ASSETS	\$207,018	\$18,186,573	\$18,393,591	\$30,126,321
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$NONE	\$717,421	\$717,421	\$2,510,198
Salaries and wages payable				851
Total Liabilities		717,421	717,421	2,511,049
Fund balances:				
Reserved for encumbrances				8,347,322
Reserved for capital projects	207,018	17,469,152	17,676,170	19,267,950
Total Fund Equity	207,018	17,469,152	17,676,170	27,615,272
TOTAL LIABILITIES AND FUND EQUITY	\$207,018	\$18,186,573	\$18,393,591	\$30,126,321

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Construction Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

Schedule 2

	SEIMENS CONSTRUCTION	2003 CONSTRUCTION	TOTAL OTHER CONSTRUCTION FUNDS	
			6/30/07	6/30/06
REVENUES				
<u>Local sources:</u>				
Earnings on investments	\$52,328	\$1,063,753	\$1,116,081	\$1,436,458
Other		3,165,197	3,165,197	196,188
Total revenues	52,328	4,228,950	4,281,278	1,632,646
EXPENDITURES				
<u>Instruction:</u>				
Regular programs		289,216	289,216	119,800
Other programs		1,692	1,692	
<u>Support Services:</u>				
School administration		9,689	9,689	
Operation and maintenance of plant				17,669
Community service operations		22,160	22,160	
Facilities acquisition and construction	1,799,694	12,097,929	13,897,623	17,219,758
Total expenditures	1,799,694	12,420,686	14,220,380	17,357,227
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,747,366)	(8,191,736)	(9,939,102)	(15,724,581)
OTHER FINANCING SOURCES (USES)				
Proceeds of certificates of indebtedness				3,810,000
Total other financing sources (uses)	NONE	NONE	NONE	3,810,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,747,366)	(8,191,736)	(9,939,102)	(11,914,581)
FUND BALANCES AT BEGINNING OF YEAR	1,954,384	25,660,888	27,615,272	39,529,853
FUND BALANCES AT END OF YEAR	\$207,018	\$17,469,152	\$17,676,170	\$27,615,272

LAFOURCHE PARISH SCHOOL BOARD
Supplemental Information Schedules
June 30, 2007

OTHER GOVERNMENTAL FUNDS
(continued next page)

NO CHILD LEFT BEHIND ACT FUNDS

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

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

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

INDIAN EDUCATION ACT FUND

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

SALARY SUPPLEMENT FUND

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

AIR CONDITIONING MAINTENANCE FUND

The Air Conditioning Maintenance Fund is used to account for the proceeds of the seven-mill property tax levied for a period of ten years. The proceeds are to be used to maintain the air conditioning systems of the schools in the parish.

LAFOURCHE PARISH SCHOOL BOARD
Supplemental Information Schedules
June 30, 2007

**OTHER GOVERNMENTAL FUNDS
(concluded)**

HURRICANE RECOVERY FUND

The Hurricane Recovery Fund is used to account for the insurance proceeds and certain additional aid from state and federal sources that results from Hurricanes Katrina and Rita.

CHILD NUTRITION FUND

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

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LAFOURCHE PARISH SCHOOL BOARD
Combining Balance Sheet: Other Governmental Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	<u>NO CHILD LEFT BEHIND ACT</u>			INDIAN
	<u>TITLE I</u>	<u>TITLE IV & VI</u>	<u>TITLE II</u>	<u>EDUCATION ACT</u>
ASSETS				
Cash and cash equivalents				
Receivables (net of allowances for uncollectibles)	\$1,796,368	\$40,887	\$246,979	\$32,931
Due from other funds				
Inventories				
TOTAL ASSETS	\$1,796,368	\$40,887	\$246,979	\$32,931
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$153,402	\$1,527	\$25,668	\$3,760
Salaries and wages payable	588,403	8,755	114,795	18,046
Interfund payable	1,041,978	30,605	106,516	11,125
Intergovernment payable	12,585			
Deposits subject to refund				
Total Liabilities	1,796,368	40,887	246,979	32,931
Fund balances:				
Reserved for salaries				
Reserved for capital projects				
Reserved for air-conditioning maintenance				
Reserved for child nutrition				
Total Fund Equity	NONE	NONE	NONE	NONE
TOTAL LIABILITIES AND FUND EQUITY	\$1,796,368	\$40,887	\$246,979	\$32,931

SALARY SUPPLEMENT	AIR CONDITIONING MAINTENANCE	HURRICANE RECOVERY	CHILD NUTRITION	TOTAL OTHER	
				GOVERNMENTAL FUNDS 6/30/07	6/30/06
\$2,616,894	\$5,677,972	\$1,027,079	\$3,237,318	\$12,559,263	\$6,211,982
1,367	1,367	200,351	37,777	2,358,027	3,092,821
			333,559	333,559	15,281
					350,999
\$2,618,261	\$5,679,339	\$1,227,430	\$3,608,654	\$15,250,849	\$9,671,083
	\$126,399	\$4,358	\$NONE	\$315,114	\$447,701
	\$4,680		379,675	1,114,354	1,423,903
\$552,047			10,460	1,752,731	1,813,130
				12,585	
82,366	82,366			164,732	88,261
634,413	213,445	4,358	390,135	3,359,516	3,772,995
1,983,848		1,223,072		1,983,848	1,991,163
	5,465,894			5,465,894	
			3,218,519	3,218,519	3,906,925
1,983,848	5,465,894	1,223,072	3,218,519	11,891,333	5,898,088
\$2,618,261	\$5,679,339	\$1,227,430	\$3,608,654	\$15,250,849	\$9,671,083

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Other Governmental Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	NO CHILD LEFT BEHIND ACT			INDIAN EDUCATION ACT
	TITLE I	TITLE IV & VI	TITLE II	
REVENUES				
<u>Local sources:</u>				
Ad valorem tax				
Earnings on investments				
Food service collections				
Other local				
<u>State Sources</u>				
Unrestricted grants-in-aid				
<u>Federal sources:</u>				
Restricted grants-in-aid - direct				\$118,008
Restricted grants-in-aid - subgrants	\$5,388,290	\$195,354	\$1,151,003	
Revenue for/on behalf of LEA				
Total revenues	5,388,290	195,354	1,151,003	118,008
EXPENDITURES				
<u>Instruction:</u>				
Regular programs				74,776
Special programs				
Other programs	4,474,139	69,619	635,446	
<u>Support Services:</u>				
Pupil support				
Instructional staff support	628,322		459,657	36,352
General administration		119,836		
School administration				
Business services	13,773			
Operation and maintenance of plant	12,378	115		665
Pupil transportation	4,430			716
Central services				
Food service operations				
Facilities acquisition and construction				
Total expenditures	5,133,042	189,570	1,095,103	112,509
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	255,248	5,784	55,900	5,499

SALARY SUPPLEMENT	AIR CONDITIONING MAINTENANCE	HURRICANE RECOVERY	CHILD NUTRITION	TOTAL OTHER	
				GOVERNMENTAL FUNDS	
				6/30/07	6/30/06
\$3,413,130	\$3,413,130			\$6,826,260	\$3,236,503
133,479	318,515		\$171,069	623,063	255,686
			1,427,781	1,427,781	1,255,491
			10,996	10,996	1,000
			1,376,476	1,376,476	1,286,500
				118,008	119,333
		258,983	4,033,875	11,027,505	13,489,794
			312,796	312,796	425,415
3,546,609	3,731,645	258,983	7,332,993	21,722,885	20,069,722
			1,050	75,826	83,279
					2,288,345
				5,179,204	4,887,887
					535,684
				1,124,331	1,468,558
109,566	109,566			338,968	102,821
		10,794		10,794	
				13,773	23,572
	2,396,682	261,826		2,671,666	55,921
				5,146	152,095
			10,091	10,091	32,079
			8,011,717	8,011,717	6,713,221
	1,604,928	90,506		1,695,434	
109,566	4,111,176	364,176	8,021,808	19,136,950	16,343,462
3,437,043	(379,531)	(105,193)	(688,815)	2,585,935	3,726,260

LAFOURCHE PARISH SCHOOL BOARD
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Other Governmental Funds
For the Year Ended June 30, 2007
(With comparative totals for the year ended June 30, 2006)

	<u>NO CHILD LEFT BEHIND ACT</u>			INDIAN
	<u>TITLE I</u>	<u>TITLE IV & VI</u>	<u>TITLE II</u>	<u>EDUCATION</u> <u>ACT</u>
<u>OTHER FINANCING</u>				
<u>SOURCES (USES)</u>				
Transfers in (out)	(255,248)	(5,784)	(55,900)	(5,499)
Insurance Proceeds from Loss				
Sales of fixed assets				
Total other financing sources (uses)	(255,248)	(5,784)	(55,900)	(5,499)
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>AND OTHER SOURCES OVER</u>				
<u>EXPENDITURES AND OTHER</u>				
<u>USES</u>	NONE	NONE	NONE	NONE
<u>FUND BALANCES</u>				
<u>AT BEGINNING OF YEAR</u>	NONE	NONE	NONE	NONE
<u>FUND BALANCES</u>				
<u>AT END OF YEAR</u>	\$NONE	\$NONE	\$NONE	\$NONE

SALARY SUPPLEMENT	AIR CONDITIONING MAINTENANCE	HURRICANE RECOVERY	CHILD NUTRITION	TOTAL OTHER GOVERNMENTAL FUNDS	
				6/30/07	6/30/06
(3,444,358)		252 954,586		(3,766,537) 954,586	(2,707,510)
			409	409	1,267
(3,444,358)		954,838	409	(2,811,542)	(2,706,243)
(7,315)	(379,531)	849,645	(688,406)	(225,607)	1,020,017
1,991,163	5,845,425	373,427	3,906,925	12,116,940	4,878,071
\$1,983,848	\$5,465,894	\$1,223,072	\$3,218,519	\$11,891,333	\$5,898,088

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Compensation Paid Board Members
 For the Year Ended June 30, 2007

Schedule 5

BOARD MEMBER	AMOUNT
Louis E. Thibodaux, president	\$10,800
Rhoda Caldwell, vice president	9,600
Constance Thompson Williams	4,800
Richmond Boyd, Jr.	4,800
Robert P. Naquin	9,600
Stella Lasseigne	9,600
G. A. Rodrigue, Jr.	9,600
Gary Foret	9,600
Dave J. DeFelice, Jr.	4,800
Ronald J. Pere	4,800
Loretta Duplantis	4,800
Julie M. Breaux	4,800
Melanie Boulet	4,800
Dennis Jean Chiasson	4,800
Roy Landry	9,600
Jon C. Callais	9,600
Al Archer	9,600
Larry Pitre	9,600
Rebecca Duet	4,800
Lawrence M. Mounic	4,800
Total	\$145,200

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

Compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly method payment of compensation. Under this method, the members of the School Board receive \$800 per month and the president receives \$900 per month.

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STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

To the Lafourche Parish School Board
Thibodaux, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements and have issued our report thereon dated December 19, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a more than remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected by the internal control.

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MEMBERS: AICPA • LPCA

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the Lafourche Parish School Board in a separate letter dated December 19, 2007.

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

Stagni & Company

Thibodaux, Louisiana
December 19, 2007



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2007

Schedule 6
 (continued)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	EXPENDITURES
<u>United States Department of Agriculture Nutrition Cluster:</u>			
Passed Through Louisiana			
Department of Education:			
National School Lunch Program		10.555	\$3,147,058
School Breakfast Program		10.553	886,817
Total Nutrition Cluster			<u>4,033,875</u>
Passed through Louisiana			
Department of Agriculture and Forestry:			
Food Distribution Program		10.550	312,796
Family Nutrition Night	28-06-FN-29	10.574	7,471
Total United States Department of Agriculture			<u>4,354,142</u>
<u>United States Department of Defense</u>			
Direct Program:			
R.O.T.C.		12.998	168,818
Passed Through Louisiana			
Department of Education:			
Emergency Rehabilitation of Flood Control Works and Federally Authorized Costal Protection Works Rehabilitation Act		12.102	1,407
Total United States Department of Defense			170,225
<u>United States Department of Homeland Security</u>			
Direct Program:			
Federal Emergency Management Act		93.036	258,185
<u>United States Department of Education</u>			
Direct Programs:			
Indian Education - Formula			
Grants to Local Educational Agencies and Tribal Schools			
2006 Grant	E060A040511	84.060	6,462
2007 Grant	E060A040511	84.060	111,546

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2007

Schedule 6
 (continued on next page)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	EXPENDITURES
Arts In Education Learning to Integrate, Network and Connect			
Art Across theCurriculum	U351C050007- 06A	84.315C	231,834
Teaching American History TAH	U215X050310	84.215X	192,054
Literacy and School Libraries Improving Literacy thru Libraries	S364A060286	84.364A	273,033
Fund for the Improvement of Education FIE Earmark Grant Awards	U215K040176	84.215K	99,410
Passed Through Louisiana Department of Education: Adult Education - State Administered Program			
2006 Grant	08-06-44-29	84.002A	64,749
2007 Grant	08-07-44-29	84.002A	202,189
One-Stop Centers	28-07-13-29	84.002A	4,168
Supplemental	28-07-21-29	84.002A	2,591
Training/Workforce	28-07-TW-29	84.002A	3,215
N. C. L. B. Title I - Special Education needs of Disadvantaged: Educationally Deprived Children			
2007 Grant	28-07-T1-29	84.010	4,523,381
Migrant Education			
2005 Grant	28-05-MI-29	84.011	45,228
2006 Grant	28-06-MI-29	84.011	80,086
2007 Grant	28-07-MI-29	84.011	279,866
Comprehensive School Reform			
2006 Grant	28-06-T8-29-C	84.332A	156,724
2007 Grant	28-07-T8-29-C	84.332A	222,200
I. D. E. A. - Assistance for Educ- ation of Handicapped			
2007 Grant	28-07-B1-29	84.027	4,184,848
I. D. E. A. - Preschool			
2007 Grant	07-P1-29	84.173A	82,996
Total Special Education Cluster			4,267,844
Vocational Education Act: Basic Grants			
2007 Carl Perkins	28-07-02-29	84.048	188,155
2007 Carl Perkins CO	28-07-02-29-C	84.048	40,279

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2007

Schedule 6
 (continued on next page)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	EXPENDITURES
N. C. L. B. Title IV - Drug Free Schools and Communities State Grant 2007 Grant	28-07-70-29	84.186A	136,326
Even Start-State Educational Agencies 2007 Grant	28-07-F1-29	84.213C	294,044
LA 21st Century Community Learning Centers 2005 Kids in Action	28053C-29	84.287C	234,583
N. C. L. B. Title V - Innovative Education Program Strategies 2007 Grant	28-07-80-29	84.298A	59,028
Educational Technology State Grants 2006 Grant	28-06-49-29	84.318X	75,234
N. C. L. B. Title III - English as a Second Language 2007 Grant	28-07-60-29	84.365A	62,657
N. C. L. B. Title II Teacher/Principal Training 2007 Grant	28-07-50-29	84.367	1,151,003
Elementary and Secondary Education Hurricane Relief 2007 HERA-Assistance for Homeless Youth	28-06-IH-29	84.938B	18,148
Math Science Partnerships 2006 Cohort 1	2806MP-29	84.366B	54,565
Hurricane Relief - Temporary Emergency Impact Aid for Displace Students 2006 Nonpublic Public School Accounts	2806IA-29	84.938C	798

LAFOURCHE PARISH SCHOOL BOARD
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2007

Schedule 6
 (concluded)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	GRANT NUMBER	CFDA NUMBER	EXPENDITURE
Total United States Department of Education			13,081,400
<u>United States Department of Health and Human Resources</u>			
Passed Through Louisiana Department of Education:			
Temporary Assistance for Needy Families			
2007 After School For All		93.558	174,326
2007 Strategies to Empower People	28-07-EP-29	93.558	2,937
Total United States Department of Health and Human Resources			13,258,663
Total Program Activity			\$18,041,215

LAFOURCHE PARISH SCHOOL BOARD
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2007

1. BASIS OF ACCOUNTING

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

2. DEFINITION OF CLUSTER

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

3. RECONCILIATION OF EXPENDITURES FROM SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO FINANCIAL STATEMENT INFORMATION

Total Expenditures - Schedule of Federal Awards	\$18,041,215
Tanf- After School for All	
Amounts collected but not expended	<u>107,964</u>
Total Federal Revenues per Financial Statements	<u><u>\$18,149,179</u></u>

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STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

To the Lafourche Parish School
Thibodaux, Louisiana

Compliance

We have audited the compliance of the Lafourche Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Lafourche Parish School Board's management. Our responsibility is to express an opinion on the Lafourche Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Lafourche Parish School Board's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on the Lafourche Parish School Board's compliance with those requirements.

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In our opinion, the Lafourche Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control over Compliance

The management of the Lafourche Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the internal control over compliance.

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

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs referenced as 2007-1 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. However, we believe that none of the significant deficiencies described above is a material weakness.



To the Lafourche Parish School
Page 3

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

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

Stagni & Company

Thibodaux, Louisiana
December 19, 2007



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2007

We have audited the financial statements of the governmental activities, each major fund and the remaining aggregate fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements and have issued our report thereon dated December 19, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133.

Our audit of the financial statements as of June 30, 2007 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

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

Internal Control	
Material Weaknesses	No
Significant Deficiencies	No
Compliance	
Compliance Material to Financial Statements	No

b. *Federal Awards*

Internal Control	
Material Weaknesses	No
Significant Deficiencies	Yes
Type of Opinion On Compliance For Major Programs	Unqualified

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

c. *Identification of Major Programs:*

IDEA Cluster:		
Assistance for Education of Handicapped	84.027	\$4,184,848
Preschool	84.173A	<u>82,996</u>
Total IDEA Cluster		<u>\$4,267,844</u>
Improving Literacy thru the Libraries	84.364A	\$ 273,033
Temporary Assistance for Needy Families		
After School for All	93.558	\$ 174,326



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended June 30, 2007

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Dollar threshold used to distinguish between Type A and Type B Programs:
\$541,236

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? **Yes**

Section II Financial Statement Findings

NO FINDINGS NOTED

Section III Federal Award Findings and Questioned Costs

2007-1 TANF – Attendance Records Verification

Criteria: The documentation reflecting attendance should agree on monthly claims report filed for reimbursements and to the daily attendance records from each school.

Condition: A sample of 25 students enrolled in the TANF after school program were selected to trace the documentation for daily attendance at the schools every day for a month to the documentation input into the state computer which was used to prepare the monthly claims report filed for reimbursement. The test resulted in the exceptions noted:

- 9 student records had exceptions from the daily attendance sheets to the monthly request for reimbursement:
 - Of those exceptions 3 instances were noted where the student signed in on the daily attendance sheets but the hours of attendance were not listed on the monthly request for reimbursement,
 - 5 instances were noted where the hours of attendance were listed on the monthly request for reimbursement, but the students had not signed daily attendance sheets and
 - 1 daily attendance sheet was missing for one day of attendance for a student selected.



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2007

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Effect: Daily attendance records did not agree to the monthly claim for reimbursements requested in those instances noted. In the case of the exceptions where the students signed the daily attendance records but they did not show up on the monthly reimbursement claim filed there is a possibility that the amount remitted for that claim was underpaid because the daily attendance was not reflected. In the case of the exceptions where the student's attendance was listed on the monthly claim request but the supporting daily attendance log did not agree there is a possibility that the amount remitted for that claim was overpaid.

Cause: Daily attendance sheet totals at each school are not compared to the information keyed into the data base that generates the monthly request for reimbursement. Currently the employee responsible for the input performs spot checks from the daily attendance records but that does not appear to be preventing errors.

Question costs: Indeterminable

Recommendation: The employee responsible for inputting the daily attendance records should agree the total input to the attendance records prior to submission. The monthly claims reimbursements should be reviewed for accuracy.



STAGNI & COMPANY, LLC

LAFOURCHE PARISH SCHOOL BOARD

Net Assets by Component

Last Seven Fiscal Years (1)
(accrual basis of accounting)

	2007	2006	2005
Governmental activities			
Invested in capital assets, net of related debt	\$20,559,357	\$4,384,536	\$(15,207,119)
Restricted for:			
Debt service	20,245,927	18,477,654	16,910,540
Capital projects	18,899,242	27,988,699	39,529,853
Unrestricted	29,812,996	23,989,359	14,013,683
Total net assets	\$89,517,522	\$74,840,248	\$55,246,957

(1) The district began to report accrual information when it implemented GASB 34 in 2001.

Table 1

2004	2003	2002	2001
\$(5,464,542)	\$22,267,851	\$19,485,133	\$6,672,999
15,123,203	12,239,197	9,467,234	7,590,162
26,550,793	422,829		3,751,243
17,268,535	15,936,151	24,644,565	30,195,557
\$53,477,989	\$50,866,028	\$53,596,932	\$48,209,961

LAFOURCHE PARISH SCHOOL BOARD
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Seven Years (1)
(accrual basis of accounting)

Expenses	2007	2006	2005
Governmental activities:			
<u>Instruction:</u>			
Regular programs	\$46,514,337	\$42,582,418	\$42,639,191
Special programs	17,116,933	14,977,909	15,506,790
Other programs	10,038,923	9,111,362	9,294,838
<u>Support services:</u>			
Pupil support	6,732,610	5,691,010	5,633,395
Instructional staff support	6,600,090	5,751,702	6,691,205
General administration	6,262,297	4,773,621	5,109,512
School administration	6,463,078	5,468,366	5,586,289
Business services	987,959	1,335,974	1,406,502
Operation and maintenance	10,714,864	9,181,022	9,043,684
Pupil transportation	6,704,044	6,632,918	6,135,369
Central services	1,473,666	1,402,167	1,081,444
Food service operations	7,921,517	\$6,753,894	6,580,232
Community service operations	38,666	12,426	10,705
Facilities acquisition and construction	104,824	972,023	469,391
<u>Debt service:</u>			
Interest and bank charges	3,822,577	3,360,233	3,707,847
Bond Refunding Cost			
Total primary government expenses	131,496,385	118,007,045	118,896,394
 Program Revenues			
Governmental activities:			
Charges for services:			
Instruction			
Food services	1,427,781	1,255,491	1,264,606
Operating grants and contributions	19,723,806	18,817,107	17,676,209
Capital grants and contributions			
Total primary government program revenues	21,151,587	20,072,598	18,940,815
 Net (Expense)/Revenue			
Total primary government net expense	\$(110,344,798)	\$(97,934,447)	\$(99,955,579)

(1) The district began to report accrual information when it implemented GASB 34 in 2001.

Table 2

2004	2003	2002	2001
\$40,434,737	\$43,036,073	\$38,643,134	\$35,061,812
15,783,895	15,649,530	15,357,648	15,072,212
8,544,924	8,507,177	7,170,448	6,914,835
5,220,075	5,073,883	4,207,692	3,736,661
5,662,807	6,442,736	5,925,235	5,135,461
4,132,211	3,845,748	3,295,176	2,649,854
5,351,246	5,450,923	4,815,513	4,472,164
1,303,749	1,216,790	1,259,012	743,019
8,754,979	9,474,521	5,815,538	7,825,289
5,721,887	5,346,348	5,146,986	4,626,246
1,009,889	1,374,193	989,932	629,990
6,468,308	6,675,857	6,582,304	6,254,358
6,423	10,705	6,423	10,705
355,460	(240)	852,857	(522,686)
2,065,969	2,046,463	2,158,374	2,274,899
110,816,559	114,150,707	102,226,272	94,884,819
1,244,868	1,248,274	1,294,443	1,279,323
15,163,376	14,183,909	14,194,792	13,014,579
16,408,244	15,432,183	15,489,235	14,293,902
\$(94,408,315)	\$(98,718,524)	\$(86,737,037)	\$(80,590,917)

LAFOURCHE PARISH SCHOOL BOARD
 General Revenues and Total Change in Net Assets
 Last Seven Years (1)
 (accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net (Expense)/Revenue			
Total primary government net expense	\$(110,344,798)	\$(97,934,447)	\$(99,955,579)
General revenues and Other Changes in Net Assets			
<u>Local sources:</u>			
Ad valorem taxes	19,733,100	18,710,358	18,235,618
Sales and use	28,198,767	24,702,120	20,180,611
Other	580,008	545,404	538,473
Rentals, leases, royalties	2,254,975	2,783,275	1,299,266
Earnings on investments	4,359,704	3,514,341	1,468,359
Other local	4,929,995	1,377,394	1,031,266
<u>State sources:</u>			
Grants not specific to programs	62,564,627	60,771,625	57,413,664
Revenue in lieu of taxes	406,253	406,045	402,573
Revenue for or on behalf of LEA	20,288	22,281	27,057
<u>Federal sources:</u>			
Grants not specific to programs	774,632	3,667,699	389,327
Revenue for/on behalf of LEA	312,796	425,415	387,585
<u>Other:</u>			
Insurance Proceeds from loss	954,586	591,575	
Gain (loss) on disposal of capital assets	(67,659)	10,206	7,761
Total primary government	<u>125,022,072</u>	<u>117,527,738</u>	<u>101,381,560</u>
Change in Net Assets			
Total primary government	<u>\$14,677,274</u>	<u>\$19,593,291</u>	<u>\$1,425,981</u>

(1) The district began to report accrual information when it implemented GASB 34 in 2001.

Table 3

2004	2003	2002	2001
\$(94,408,315)	\$(98,718,524)	\$(86,737,037)	\$(80,590,917)
16,974,543	16,341,368	13,870,677	12,644,130
20,057,900	18,868,897	19,545,497	18,235,375
518,921	489,974	424,351	392,553
767,688	1,480,750	882,572	1,708,765
489,505	664,308	1,317,425	3,596,092
964,645	866,114	480,316	704,615
56,232,560	55,504,648	54,587,364	51,211,532
401,923	400,025	450,491	401,751
24,671	24,343	33,888	51,234
338,354	348,692	268,219	242,666
308,697	317,429	305,776	327,908
(59,131)	(88,163)	(42,568)	1,926
97,020,276	95,218,385	92,124,008	89,518,547
\$2,611,961	\$(3,500,139)	\$5,386,971	\$8,927,630

LAFOURCHE PARISH SCHOOL BOARD
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2007	2006	2005	2004
General Fund				
Reserved	\$4,978,952	\$3,296,139	\$2,312,221	\$2,811,625
Unreserved	14,381,521	11,849,933	1,671,582	1,948,122
Total general fund	<u>\$19,360,473</u>	<u>\$15,146,072</u>	<u>\$3,983,803</u>	<u>\$4,759,747</u>
All Other Governmental Funds				
Reserved	\$49,813,430	\$58,209,866	\$67,256,880	\$54,222,612
Unreserved, reported in:				
Construction fund				
Special Revenue Funds				
Total all other governmental funds	<u>\$49,813,430</u>	<u>\$58,209,866</u>	<u>\$67,256,880</u>	<u>\$54,222,612</u>

Table 4

2003	2002	2001	2000	1999	1998
\$3,483,882	\$5,898,317	\$4,821,277	\$3,306,627	\$3,638,542	\$3,489,951
4,928,694	8,314,735	10,258,552	8,372,006	7,115,127	4,556,654
<u>\$8,412,576</u>	<u>\$14,213,052</u>	<u>\$15,079,829</u>	<u>\$11,678,633</u>	<u>\$10,753,669</u>	<u>\$8,046,605</u>
\$22,914,472	\$21,550,873	\$29,099,144	\$43,927,244	\$41,260,084	\$41,191,947
			21,167	21,167	29,554
<u>\$22,914,472</u>	<u>\$21,550,873</u>	<u>\$29,099,144</u>	<u>\$43,948,411</u>	<u>\$41,281,251</u>	<u>\$41,221,501</u>

LAFOURCHE PARISH SCHOOL BOARD
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2007	2006	2005	2004
REVENUES				
<u>Local sources:</u>				
Taxes:				
Ad valorem	\$19,733,100	\$18,710,358	\$18,235,618	\$16,974,543
Sales and use	28,198,767	24,702,120	20,180,611	20,057,900
Other	580,008	545,404	538,473	516,661
Rentals, leases, royalties	2,254,975	2,783,275	1,299,266	767,688
Earnings on investments	3,890,444	3,227,318	1,317,042	426,370
Food service collections	1,427,781	1,255,491	1,264,606	1,244,868
Other local	4,929,995	1,377,394	1,031,266	966,905
Total local sources	61,015,070	52,601,360	43,866,882	40,954,935
<u>State sources:</u>				
Unrestricted grants-in-aid	62,564,627	60,771,625	57,413,664	56,232,560
Restricted grants-in-aid	2,662,055	3,496,281	3,333,612	2,375,698
Revenue in lieu of taxes	406,253	406,045	402,573	401,923
Revenue for or on behalf of LEA	20,288	22,281	27,057	24,671
Total state sources	65,653,223	64,696,232	61,176,906	59,034,852
<u>Federal sources:</u>				
Unrestricted grants-in-aid - direct	1,407	3,007	2,728	1,192
Restricted grants-in-aid - direct	1,083,156	493,701	297,209	282,339
Restricted grants-in-aid - subgrants	16,751,820	18,491,817	14,431,987	12,842,501
Revenue for/on behalf of LEA	312,796	425,415	387,585	308,697
Total federal sources	18,149,179	19,413,940	15,119,509	13,434,729
Total revenues	\$144,817,472	\$136,711,532	\$120,163,297	\$113,424,516

Table 5

2003	2002	2001	2000	1999	1998
\$16,341,368	\$13,870,677	\$12,644,130	\$11,463,446	\$10,350,021	\$9,623,520
18,868,897	19,545,497	18,235,375	17,710,680	17,542,016	18,010,299
489,974	424,351	392,553	360,885	319,268	283,226
1,480,750	882,572	1,708,765	2,230,127	1,453,273	1,061,491
589,460	1,188,343	3,407,209	3,755,734	3,290,585	1,663,149
1,248,274	1,294,443	1,279,323	1,379,062	1,216,763	1,176,985
866,114	480,316	704,615	719,973	657,771	478,802
39,884,837	37,686,199	38,371,970	37,619,907	34,829,697	32,297,472
55,504,648	54,587,364	51,211,532	49,871,857	50,452,452	48,413,271
2,708,935	2,428,680	2,265,560	2,359,686	2,675,809	3,058,639
400,025	450,491	401,751	400,602	405,445	402,626
24,343	33,888	51,234	59,030	75,896	88,435
58,637,951	57,500,423	53,930,077	52,691,175	53,609,602	51,962,971
32,154		15,876	7,325	3,728	8,074
285,676	283,183	217,847	226,696	218,995	219,787
11,505,836	11,751,148	10,757,962	10,151,976	9,770,108	8,818,959
317,429	305,776	327,908	348,998	330,504	364,789
12,141,095	12,340,107	11,319,593	10,734,995	10,323,335	9,411,609
\$110,663,883	\$107,526,729	\$103,621,640	\$101,046,077	\$98,762,634	\$93,672,052

LAFOURCHE PARISH SCHOOL BOARD
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2007	2006	2005	2004
<u>Instruction:</u>				
Regular programs	\$47,291,821	\$43,174,996	\$42,792,145	\$41,495,824
Special programs	17,398,736	15,267,921	15,430,148	16,137,831
Other programs	10,160,283	9,257,761	9,511,274	8,714,368
<u>Support services:</u>				
Pupil support	6,768,387	5,732,759	5,605,655	5,342,102
Instructional staff support	6,651,257	5,809,496	6,661,562	5,800,361
General administration	2,866,880	1,903,923	2,188,600	1,876,095
School administration	6,538,061	5,537,952	5,549,645	5,528,470
Business services	1,045,194	1,360,362	1,399,163	1,331,207
Operation and maintenance	11,435,674	11,006,112	9,196,375	8,919,338
Pupil transportation	6,891,578	6,664,756	6,074,947	5,951,276
Central services	1,545,588	1,443,728	1,076,613	1,026,723
Food service operations	8,161,159	7,058,529	6,546,039	6,617,053
Community service operations	38,669	12,426	10,705	6,423
Facilities acquisition and construction	15,597,260	18,726,389	10,278,604	3,215,208
<u>Debt service:</u>				
Principal retirement	3,233,913	3,224,348	2,445,000	1,745,000
Interest and bank charges	3,855,769	3,392,385	2,941,072	2,065,969
Bond refunding cost				
Total expenditures	\$149,480,229	\$139,573,843	\$127,707,547	\$115,773,248
Expenditures for capitalized assets contained within functional expenditure categories				
	\$16,624,323	\$19,599,791	\$933,908	\$603,161
Debt service as a percentage of noncapital expenditures				
	6.05%	6.54%	4.62%	3.40%

Table 6

2003	2002	2001	2000	1999	1998
\$42,358,577	\$38,215,752	\$35,145,134	\$36,017,524	\$34,258,732	\$34,611,917
15,416,442	15,196,819	15,108,178	15,284,846	15,557,615	15,573,667
8,394,897	7,101,545	6,921,969	6,928,915	6,441,029	6,165,568
5,000,536	4,166,792	3,745,520	3,766,719	3,641,549	3,502,742
6,342,137	5,870,564	5,146,058	4,316,409	4,527,409	4,079,146
2,123,735	1,661,285	1,704,324	1,758,347	1,534,617	1,347,523
5,337,259	4,744,571	4,484,173	4,314,547	4,282,564	4,247,804
1,198,678	1,251,084	744,416	824,257	859,963	699,351
9,152,207	9,331,055	7,908,676	7,209,203	6,977,625	8,083,456
5,279,028	5,112,172	4,704,512	4,664,177	4,337,070	4,638,208
1,361,846	982,016	631,211	750,041	539,411	515,834
6,579,007	6,520,716	6,254,568	6,121,824	6,273,618	6,455,071
10,705	6,423	10,705	8,746	8,698	13,787
3,226,680	10,082,134	18,747,157	11,395,726	3,762,557	4,625,692
1,674,663	1,547,235	1,537,354	1,413,447	1,115,991	2,220,034
2,046,463	2,158,374	2,277,682	2,100,225	1,940,647	546,921
\$115,502,860	\$113,948,537	\$115,071,637	\$106,874,953	\$96,059,095	\$97,326,721
\$965,870	\$1,043,713	\$1,462,211	\$1,329,077	\$1,915,186	\$3,133,360
3.34%	3.60%	4.02%	3.73%	3.38%	3.09%

LAFOURCHE PARISH SCHOOL BOARD
 Governmental Funds Other Financing Sources and Uses and Net Change in Fund Balances
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2007	2006	2005	2004
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	\$(4,662,757)	\$(2,862,311)	\$(7,544,250)	\$(2,348,732)
<u>OTHER FINANCING SOURCES (Uses)</u>				
<u>REVENUES</u>				
Transfers in (out)	(500,000)			
Sales of fixed assets	26,136	1,267		4,043
Proceeds of bond sale			42,300,000	30,000,000
Proceeds of certificates of indebtedness		4,384,724		
Insurance Proceeds from Loss	954,586	591,575		
Accrued Interest and Premiums			1,030,503	
Payments to refunded bond escrow agent			(23,527,929)	
Proceeds of capital lease				
Total other financing sources (uses)	480,722	4,977,566	19,802,574	30,004,043
<u>NET CHANGES IN FUND BALANCES</u>	(4,182,035)	2,115,255	12,258,324	27,655,311
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	73,355,938	71,240,683	58,982,359	31,327,048
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$69,173,903</u>	<u>\$73,355,938</u>	<u>\$71,240,683</u>	<u>\$58,982,359</u>

Table 7

2003	2002	2001	2000	1999	1998
\$(4,838,977)	\$(6,421,808)	\$(11,449,997)	\$(5,828,876)	\$2,706,539	\$(3,654,699)
	(2,000,000)				
2,100	6,760	1,926	21,000	11,985	4,935
400,000			9,400,000		25,000,000
				48,290	
402,100	(1,993,240)	1,926	9,421,000	60,275	25,004,935
(4,436,877)	(8,415,048)	(11,448,071)	3,592,124	2,766,814	21,350,236
35,763,925	44,178,973	55,627,044	52,034,920	49,268,106	27,917,840
<u>\$31,327,048</u>	<u>\$35,763,925</u>	<u>\$44,178,973</u>	<u>\$55,627,044</u>	<u>\$52,034,920</u>	<u>\$49,268,076</u>

LAFOURCHE PARISH SCHOOL BOARD
Assessed Value and Taxable Value of Property
June 30, 2007
UNAUDITED

Table 8

Assessment Year	Assessed Value			Total Assessed Value	Less: Exemptions	Total Taxable Value	Total Direct Rate
	Real Estate	Personal & Business Property	Public Sector				
2006	\$260,531,040	\$271,490,890	\$75,965,010	\$607,986,940	\$147,279,352	\$460,707,588	43.00
2005	250,698,930	252,403,600	75,709,260	578,811,790	144,178,540	434,633,250	43.30
2004*	244,835,270	259,091,400	73,266,550	577,193,220	141,480,420	435,712,800	43.30
2003	213,781,080	242,464,650	69,282,870	525,528,600	132,431,900	393,096,700	43.60
2002	210,301,270	228,855,200	69,786,040	508,942,510	129,306,360	379,636,150	43.60
2001	208,444,620	177,495,600	69,758,050	455,698,270	127,192,300	328,505,970	43.60
2000*	189,997,360	168,439,110	64,438,570	422,875,040	122,835,770	300,039,270	43.12
1999	169,028,430	149,522,360	62,392,050	380,942,840	111,173,650	269,769,190	43.33
1998	161,832,210	131,446,090	58,915,450	352,193,750	108,322,720	243,871,030	43.33
1997	151,891,460	121,351,750	55,708,760	328,951,970	103,550,840	225,401,130	43.33

*Reassessment year

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

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

The homestead exemption of \$75,000 is then deducted from property subject to the exemption in determining the net assessed value.

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

Source: Lafourche Parish Assessor's Office

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LAFOURCHE PARISH SCHOOL BOARD
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 Tax Rates Per \$1,000 of Assessed Value for Parishwide Taxes Only))

UNAUDITED

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Lafourche Parish Schools:				
Constitutional Tax	\$3.63	\$3.63	\$3.63	\$3.93
Consolidated School District No. 1 Salary Supplement	7.49	7.49	7.49	7.49
Consolidated School District No. 1 Maintenance	7.49	7.49	7.49	7.49
Consolidated School District No. 1 Air Conditioning Maintenance	7.49	7.49	7.49	7.49
Consolidated School District No. 1 Bonds	17.20	17.20	17.20	17.20
	<u>\$43.30</u>	<u>\$43.30</u>	<u>\$43.30</u>	<u>\$43.60</u>
Overlapping, Parishwide Taxes:				
Law Enforcement District	10.37	10.37	10.37	10.37
Health Unit	0.82	0.82	0.90	0.90
Library	7.71	7.71	8.50	8.50
Recreation	1.65	1.65	1.82	1.82
Public Buildings	2.49	2.49	2.75	2.75
Juvenile Justice	3.20	3.20	3.20	3.20
Drainage	3.34	3.34	3.68	3.68
Drainage, Health, Library	4.69	4.69	5.17	5.17
Assessment District	2.50	2.50	2.50	2.50
	<u>\$36.77</u>	<u>\$36.77</u>	<u>\$38.89</u>	<u>\$38.89</u>
 Total Direct and Overlapping	 <u>\$80.07</u>	 <u>\$80.07</u>	 <u>\$82.19</u>	 <u>\$82.49</u>

Source: Lafourche Parish Assessor's Office

Table 9

2002	2001	2000	1999	1998	1997
\$3.93	\$3.93	\$3.93	\$4.11	\$4.11	\$4.11
7.49	7.49	7.49	7.34	7.34	7.34
7.49	7.49	7.49	7.34	7.34	7.34
7.49	7.49	7.01	7.34	7.34	7.34
17.20	17.20	17.20	17.20	17.20	17.20
\$43.60	\$43.60	\$43.12	\$43.33	\$43.33	\$43.33
10.37	10.37	10.37	10.37	10.37	10.37
0.90	0.90	0.90	0.94	0.94	0.94
8.50	8.50	8.50	8.91	8.91	8.91
1.82	1.82	1.82	1.91	1.91	1.88
2.75	2.75	2.75	2.88	2.88	2.83
3.20	3.20	3.20	3.20	3.20	3.20
3.68	3.68	3.68	3.85	3.85	3.78
5.17	5.17	5.17	5.41	5.41	5.30
2.50	2.39	2.39	2.09	2.50	2.16
\$38.89	\$38.78	\$38.78	\$39.56	\$39.97	\$39.37
\$82.49	\$82.38	\$81.90	\$82.89	\$83.30	\$82.70

LAFOURCHE PARISH SCHOOL BOARD
Property Tax Levies and Collections
June 30, 2007
UNAUDITED

Table 10

YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF TAX COLLECTED TO LEVY	COLLECTIONS IN SUBSEQUENT YEARS	TOTAL TAX COLLECTIONS	PERCENT OF TAX COLLECTED TO LEVY
1998	9,766,631	9,584,216	98.13	39,304	9,623,520	98.53
1999	10,566,932	10,277,511	97.26	72,510	10,350,021	97.95
2000	11,664,400	11,369,509	97.47	93,937	11,463,446	98.28
2001	12,937,693	12,439,034	96.15	205,096	12,644,130	97.73
2002	14,322,860	13,855,166	96.73	15,511	13,870,677	96.84
2003	16,552,136	16,208,281	97.92	133,087	16,341,368	98.73
2004	17,139,016	16,785,701	97.94	188,842	16,974,543	99.04
2005	18,997,078	18,165,027	95.62	70,591	18,235,618	95.99
2006	18,819,619	18,562,707	98.63	147,651	18,710,358	99.42
2007	19,948,638	19,618,668	98.35	114,431	19,733,099	98.92

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD
Principal Property Tax Payers
June 30, 2007
UNAUDITED

Table 11

Taxpayer	TYPE OF BUSINESS	2006		1997	
		Taxable Assessed Value	% of Total Taxable Value	Taxable Assessed Value	% of Total Taxable Value
Edison Chouses Offshore, Inc.	Marine Contractors	\$22,779,600	3.7%	-	-
Mars Oil Pipeline Company	Pipeline	13,530,470	2.2%	\$4,364,820	-
Loop, Inc.	Pipeline	12,094,310	2.0%	12,666,130	3.9%
Alpha Marine Services LLC	Marine Contractors	10,186,220	1.7%	-	-
Hornbeck Offshore Services	Marine Contractors	9,350,490	1.5%	-	-
Entergy Louisiana, Inc.	Electric Utility	8,989,960	1.5%	8,812,130	2.7%
Locap Inc.	Pipeline	8,544,650	1.4%	9,220,440	2.8%
Chevron Texaco Exploration	Oil and Gas	8,058,390	1.3%	3,973,000	1.2%
Otto Candies, LLC	Marine Contractors	8,013,570	1.3%	-	-
Nautical Ventures	Marine Contractors	7,867,290	1.3%	-	-
BellSouth Telecommunications	Telephone Utility	-	-	6,090,800	1.9%
Greenhill Petroleum Corp.	Oil and Gas	-	-	6,509,540	2.0%
Lafourche Telephone Co., Inc.	Telephone Utility	-	-	5,610,910	1.7%
T. E. P. I. (Formerly Texaco)	Oil and Gas	-	-	3,438,250	1.0%
Tenneco, Inc.	Pipeline	-	-	-	-
Seacor Offshore LLC	Marine Contractors	-	-	-	-
ArgentBank	Bank	-	-	7,255,280	2.2%
		<u>\$ 109,414,950</u>	<u>17.9%</u>	<u>\$ 67,941,300</u>	<u>19.4%</u>
Total Assessed Values		<u>\$607,986,940</u>		<u>\$328,951,970</u>	

Source: Lafourche Parish Assessor's Office

LAFOURCHE PARISH SCHOOL BOARD
Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years
UNAUDITED

	2007	2006	2005	2004
General obligation bonds (gross)	\$77,360,000	\$80,485,000	\$83,450,000	\$65,945,000
Less: Amounts set aside to repay general debt	20,245,927	18,477,654	16,910,540	15,123,203
Net Bonded Debt	\$57,114,073	\$62,007,346	\$66,539,460	\$50,821,797
Total assessed property value	\$607,986,940	\$578,811,790	\$577,193,220	\$525,528,600
Percentage of total assessed property value	9.39%	10.71%	11.53%	9.67%
Population	B)	93,554	92,179	91,955
Per Capita	B)	\$663	\$722	\$553
Percentage of personal income	B)	0.0037%	0.0038%	0.0036%
Personal Income (in thousands)	B)	2,528,388	2,457,387	\$2,525,519
Legal debt limit	\$212,795,429	\$202,584,127	\$202,017,627	\$183,935,010
Total net debt applicable to debt limit	57,114,073	62,007,346	66,539,460	50,821,797
Legal debt margin	\$155,681,356	\$140,576,781	\$135,478,167	\$133,113,213
Total net debt applicable as a percentage of the debt limit	26.84%	30.61%	32.94%	27.63%

Notes:

A) See Demographics and Personal Income Table

B) Information Unavailable Source: Lafourche Parish Assessor's Office

Table 12

2003	2002	2001	2000	1999	1998
\$37,615,000	\$39,195,000	\$40,690,000	\$42,110,000	\$34,010,000	\$35,020,000
12,239,197	9,467,234	7,590,162	6,074,979	4,713,564	3,487,474
\$25,375,803	\$29,727,766	\$33,099,838	\$36,035,021	\$29,296,436	\$31,532,526
\$508,942,510	\$455,698,270	\$422,875,040	\$380,942,840	\$352,193,750	\$328,951,970
4.99%	6.52%	7.83%	9.46%	8.32%	9.59%
91,440	90,773	90,123	89,971	90,062	89,454
\$278	\$327	\$367	\$401	\$325	\$352
0.0038%	0.0039%	0.0040%	0.0044%	0.0048%	0.0048%
\$2,418,678	\$2,327,766	\$2,269,902	\$2,027,866	\$1,887,585	\$1,852,823
\$178,129,879	\$159,494,395	\$148,006,264	\$133,329,994	\$123,267,813	\$115,133,190
25,375,803	29,727,766	33,099,838	36,035,021	29,296,436	31,532,526
\$152,754,076	\$129,766,629	\$114,906,426	\$97,294,973	\$93,971,377	\$83,600,664
14.25%	18.64%	22.36%	27.03%	23.77%	27.39%

LAFOURCHE PARISH SCHOOL BOARD
Demographics and Economic Statistics
Last Ten Fiscal Years
UNAUDITED

Table 13

Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	Education Attainment, 25 Years and Older		School Enrollment	Unemployment Rate %
					High School Graduates or Higher	4 or More Years of College		
2006	93,554	\$2,528,388	\$27,026				15,222	2.90
2005	92,179	\$2,457,387	\$26,659				15,159	6.30
2004	91,955	\$2,525,519	\$27,465				14,964	4.90
2003	91,440	\$2,418,678	\$26,451				15,162	4.90
2002	90,773	\$2,327,766	\$25,644				15,178	4.70
2001	90,123	\$2,269,902	\$25,187				15,229	4.30
2000	89,971	\$2,027,866	\$22,539	34.1	37,073	6,908	15,453	4.30
1999	90,062	\$1,887,585	\$20,959				15,612	3.70
1998	89,454	\$1,852,823	\$20,713				15,782	3.00
1997	88,650	\$1,715,669	\$19,353				16,076	3.20

Sources: Population, Personal Income and Per Capita Personal Income provided by the U.S. Department of Labor and Bureau of Economic Analysis.
U.S. Department of Labor for unemployment rates. U.S. Census Bureau for Median Age and Educational Information.
Educational Attainment is only available every ten years.

LAFOURCHE PARISH SCHOOL BOARD

Principal Employers

Table 14

AS OF JUNE 30, 2007

UNAUDITED

<u>NAME OF EMPLOYER</u>	<u>Approximate Number of Employees</u>
Lafourche Parish School Board	1000+
Bollinger Shipyards Lockport LLC	500-999
WalMart Stores Inc.	500-999
CAMECO Industries Inc.	500-999
Thibodaux Regional Medical Center	500-999
Nicholls St Univ-Self Sup	500-999
Galliano Marine Service LLC (LA QJ	500-999
Good Job Inc.	500-999
Danos & Curole Marine Contractors	500-999
Galliano Marine Service LLC	250-499

Source: Louisiana Department of Labor, Office of Employment Security, Research and Statistics Unit

Approximate Number of Employees

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

Table 15

Name of Government Unit	Outstanding Balance	% Attributable	School Board's Share of Debt
Direct			
Lafourche Parish School Board	\$77,360,000	100%	\$77,360,000
Overlapping and Underlying			
Hospital Service District No. 1	2,890,000	100%	2,890,000
Recreation District No. 2	507,000	100%	507,000
Recreation District No. 11	47,000	100%	47,000
Fire Protection District No. 1	285,000	100%	285,000
Fire Protection District No. 6	440,000	100%	440,000
	\$81,529,000		\$81,529,000

(1) Source: Foley & Judell, LLP 2007 Bond Official Statement

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LAFOURCHE PARISH SCHOOL BOARD
 Full-time-Equivalent Employees by Type
 Last Ten Fiscal Years
UNAUDITED

	1998	1999	2000	2001
I. Regular Employees: CERTIFICATED				
A. Instructional:				
Supervising Instructors				
Classroom Teachers - Regular Programs	761	761	761	808
Classroom Teachers - Special Education	274	262	262	233
Classroom Teachers - Vocational Education	50	47	47	45
Classroom Teachers - Other Instructional Programs	11	7	7	7
Classroom Teachers- Special Programs	63	63	63	64
Classroom Teachers - Adult/Continuing Ed. Programs	2	3	3	3
Classroom Teachers - ROTC Instructors				
Total Classroom Teachers	1161	1143	1143	1160
Therapist/Specialist/Counselor - Instructional Programs	27	29	29	40
Sabbatical Leave - Instructional Programs	3	8	8	4
Total Certificated - Instructional Programs	1191	1180	1180	1204
B. Instructional Support:				
Supervisors - Instructional Support Functions	23	31	31	9
Librarians/Media-based Teachers/Staff Instructors - Instr. Spt.	29	30	30	76
Therapist/Specialist/Counselor - Instructional Support Functions	61	56	56	62
Sabbatical Leave - Instructional Support Functions				
Total Certificated - Instructional Support	113	117	117	147
C. Support Services:				
Superintendents	1	1	1	1
Assistant/Associate/Deputy Superintendents	1	1	1	1
School Principals	28	28	28	29
School Assistant Principals	25	25	25	27
Other School Administrators				
Non-Classroom Teachers - Support Services				
Sabbatical Leave - Support Services				
Total Certificated - Support Services	55	55	55	58
Total Certificated	1359	1352	1352	1409

Table 16
(continued next page)

2002	2003	2004	2005	2006	2007
	1	1	1	1	1
814	796	799	779	779	778
221	200	193	167	168	150
40	55	54	49	46	46
8	37	42	43	42	42
60	61	58	56	56	57
4	10	7	8	8	9
	8	8	7	6	6
1147	1167	1160	1108	1104	1089
39	42	44	46		
4		4	6	3	2
1190	1210	1209	1161	1108	1091
9	10	10	11	10	9
79	82	79	78	50	48
65	70	76	79	122	123
153	162	164	168	182	180
1	1	1	1	2	2
1	1	1	1	1	1
27	27	27	28	28	28
30	35	36	33	32	32
59	64	65	63	63	63
1402	1436	1438	1391	1352	1334

LAFOURCHE PARISH SCHOOL BOARD
 Full-time-Equivalent Employees by Type
 Last Ten Fiscal Years
UNAUDITED

	1998	1999	2000	2001
II. Regular Employees: NON-CERTIFICATED				
A. Instructional:				
Aide - Instructional Programs	263	253	253	307
Total Non-Certificated - Instructional Programs	263	253	253	307
B. Instructional Support:				
Supervisors - Instructional Support Functions				
Therapist/Specialist/Counselor - Instructional Support Functions				
Clerical/Secretarial - Instructional Support Functions	18	20	20	9
Aide - Instructional Support Functions				
Service Worker - Instructional Support Functions				
Skilled Craftsman - Instructional Support Functions				
Degreed Professional - Instructional Support Functions	13			
Other Personnel - Instructional Support Functions		14	14	16
Total Non-Certificated - Instructional Support	31	34	34	25
C. Support Services:				
Supervisors/Managers/Administrators - Support Services	38	39	39	32
Clerical/Secretarial - Support Services	53	60	60	72
Aide - Support Services	14	13	13	13
Service Worker - Support Services	337	205	205	305
Skilled Craftsman - Support Services	25	140	140	24
Degreed Professional - Support Services	4	4	4	7
Other Personnel - Support Services	3	3	3	4
Total Non-Certificated - Support Services	474	464	464	457
Total Non-Certificated	768	751	751	789
Total Regular Employees (Certificated and Non-Certificated)	2127	2103	2103	2198

Table 16
(concluded)

2002	2003	2004	2005	2006	2007
313	311	320	315	316	302
313	311	320	315	316	302
11	15	14	34	31	21
		2	1	1	1
16	21	29	32	32	34
27	36	45	67	64	56
32	36	38	38	37	39
74	75	77	89	86	85
10	14	13	14	14	14
294	296	329	364	399	389
25	24	25	27	37	39
8	10	10	10	9	8
6	9	10	8	8	7
449	464	501	550	590	581
789	811	866	932	970	939
2191	2247	2305	2323	2322	2273

LAFOURCHE PARISH SCHOOL BOARD
 Operating Statistics
 Last Ten Fiscal Years
UNAUDITED

Table 17

Year	School Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
2007	15,222	117,258,646	7703	10%	1089	14	55%
2006	14,559	101,621,576	6980	-9%	1104	13	63%
2005	15,159	116,495,035	7685	3%	1108	14	55%
2004	14,964	111,954,879	7482	2%	1160	13	56%
2003	15,162	111,310,310	7341	8%	1167	13	53%
2002	15,178	102,822,690	6774	9%	1147	13	54%
2001	15,229	94,862,269	6229	2%	1160	13	54%
2000	15,453	94,150,150	6093	5%	1143	14	55%
1999	15,612	90,381,352	5789	2%	1143	14	55%
1998	15,782	89,567,669	5675	12%	1161	14	53%

LAFOURCHE PARISH SCHOOL BOARD
Capital Asset Information
UNAUDITED

Table 18

Schools	2006	2007
Elementary		
Buildings	95	105
Square Feet	668,224	703,880
Bayou Blue	682	779
Bayou Boeuf	210	227
Chackbay	377	410
Cut Off	502	486
Galliano	389	403
Golden Meadow Lower	246	284
Golden Meadow Upper	261	257
W.S. Lafargue	573	564
Larose Lower	341	370
Larose Upper	342	334
Lockport Lower	381	388
Lockport Upper	361	349
Raceland Lower	430	434
Raceland Upper	398	380
St. Charles	284	237
South Thibodaux	623	613
Thibodaux	579	629
Enrollment	6979	7144
Middle		
Buildings	43	47
Square Feet	381,052	455,530
East Thibodaux	448	390
Golden Meadow	518	479
Bayou Blue	0	292
Larose Cut Off	582	530
Lockport	401	372
Raceland	730	392
Sixth Ward	285	291
West Thibodaux	569	489
Enrollment	3,533	3,235
High		
Buildings	14	14
Square Feet	769,861	769,861
South Lafourche	1,332	1,221
Central Lafourche	1,466	1,322
Thibodaux	1,644	1,453
Enrollment	4,442	3,996
Alternative Schools		
Buildings	8	8
Square Feet	34,358	34,358
Administrative & Warehouse		
Buildings	9	9
Square Feet	75,176	75,176

Note: This is the second year presentation of the usage of capital assets and eventually will be presented for ten years.



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

December 19, 2007

To the Lafourche Parish School Board
Thibodaux, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lafourche Parish School Board as of and for the year ended June 30, 2007, and have issued our report thereon dated December 19, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and provisions of OMB Circular A-133.

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

Suggestion 2007-2 Equipment Useful Lives and Related Depreciation

- Criteria:** Equipment useful lives should be consistently applied to all assets of the same nature and should be within reason.
- Condition:** While reviewing the useful lives of equipment and performing recalculation of depreciation and accumulated depreciation, 86 items were found with useful lives that are approximately two times the norm for those items.
- Cause:** Employees handling the property accounting additions are not consistently applying useful lives to assets when they are being added to the capital asset system.
- Effect:** Prior Accumulated Depreciation and current depreciation is estimated to be understated by \$134,554 and \$52,852, respectively for the assets noted; therefore, ending accumulated depreciation is understated by \$193,406.
- Recommendation:** We recommend that persons responsible for inputting the additions apply useful more consistent from year to year. We also recommend that an employee in the accounting department scan the depreciation reports at year-end to look for inaccurate useful lives applied to assets and correct the report prior to the audit.

Suggestion 2007-3 Siemens Building Technologies, Inc. Contract

- Criteria:** Performance-based energy efficiency contracts are for services and equipment and require the contractor to provide a guarantee of “energy savings” to the governmental entity. According to La.R.S. 33:4547.1 a performance-based energy efficiency contract shall be defined as a contract for energy efficiency services and equipment in which the payment obligation for each year of the contract is guaranteed by the person under contract to be less than the annual energy cost savings attributable to the services or equipment under the contract.
- Condition:** Based on the total projected costs associated with the contract (including contract costs, monitoring and maintenance costs, and interest financing costs) the total guaranteed energy cost savings are less than the costs.
- Cause:** The costs used in the computation comparing costs to savings did not include monitoring and maintenance costs or interest financing costs.
- Effect:** It does not appear that the contract meets the statutory definition of a performance-based energy efficiency contract.
- Recommendation:** We recommend that the parties amend the contract to comply with the definition of a performance-based energy efficiency contract.

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

Stagni & Company

December 19, 2007
Thibodaux, LA



LAFOURCHE PARISH SCHOOL BOARD
CURRENT YEAR FINDINGS, RECOMMENDATIONS
AND CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2007

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS:

NO FINDINGS TO REPORT

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

Reference #: 2007-1

2007-1 TANF – Attendance Records Verification

Description of Finding:

Out of 25 students tested for daily attendance for specific months chosen for reimbursement, 9 student records had exceptions from the daily attendance sheets to the monthly request for reimbursement. Of those exceptions 3 student records were noted where the student signed in on the daily attendance sheets and hours of attendance were not noted on the monthly request for reimbursement, 5 student records were noted where hours of attendance were on the monthly request for reimbursement, but students had not signed daily attendance sheets and a daily attendance sheet was missing for one day of attendance for 1 student record.

Corrective Action Planned:

The Business Manager, the Head Accountant in charge of Grants, the Supervisor in charge of this grant and the Grant Administrator in charge of this grant will meet to determine the procedures for the Grant Administrator to follow that will ensure accurate student records. The Grant Administrator will then make sure that the records are correct before submitting the funding request.

Name of Contact Person:

Tracy Guidry, Head Accountant

Anticipated Completion Date:

January 31, 2007

SECTION III – MANAGEMENT LETTER COMMENTS:

Reference #: **2007-2**

Equipment Useful Lives and Related Depreciation

Description of Finding:

While reviewing the useful lives of equipment we noted 86 assets had incorrect useful lives. If recalculated with the correct useful lives, ending accumulated depreciation is estimated to be understated by \$193,406.

Corrective Action Planned:

The useful lives of the 86 assets will be adjusted by the Head Accountant in charge of Fixed Assets to coincide with the useful lives as stated in the Property Accounting Handbook for the appropriate asset class. The personnel who input new assets will be in-serviced on determining the appropriate useful life to used when adding for new assets. Finally, new asset entries will be reviewed on a regular basis by the Head Accountant in charge of Fixed Assets.

Name of Contact Person:

Tracy Guidry, Head Accountant

Anticipated Completion Date:

January 25, 2007

Reference #: 2007-3
Siemens Building Technologies, Inc. Contract

Description of Finding:

Based on the total projected costs associated with the contract (including contract costs, monitoring and maintenance costs, and interest financing costs) the total guaranteed energy cost savings are less than the costs. The costs used in computation comparing costs to savings did not include monitoring and maintenance costs or interest financing costs. It does not appear that the contract meets the statutory definition of a performance-based energy efficiency contract. We recommend that the parties amend the contract to comply with the definition of a performance-based energy efficiency contract.

Corrective Action Planned:

The Business Manager will notify Patrick Amedee, School Board's Attorney, asking him to review our Energy Performance Contract considering the Attorney General's Opinion #07-002 and the ruling of the 18th Judicial District Court, Division B., Parish of Iberville, Suite #64,935. After an opinion is rendered by Mr. Amedee, Mr. Amedee will meet with the School Board administration to determine a resolution for this issue.

Name of Contact Person:

Don Gaudet

Anticipated Completion Date:

Attorney notification: January 20, 2007

Final resolution: February 29, 2007



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of the Lafourche Parish School Board:

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

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

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

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

We noted no differences.

Education Levels of Public School Staff (Schedule 2)

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

We noted no differences.

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

We noted no differences.

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

We noted no differences.

Number and Type of Public Schools (Schedule 3)

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

We noted no differences.

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

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

We noted no differences.



Public Staff Data (Schedule 5)

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

We noted no differences.

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

We noted no differences.

Class Size Characteristics (Schedule 6)

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

We noted no differences.

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

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

We noted no differences.

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

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

We noted no differences.

The Iowa/iLEAP Tests (Schedule 9)

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

We noted no differences.



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

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

Stagni & Company

Thibodaux, Louisiana
December 19, 2007



STAGNI & COMPANY, LLC
